

## **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.



# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 1.

Section 1.

October 1, 1921.

Unemployment Plans Adopted      Resumption of public works, elimination of undue costs and illegal combinations in the building industry, reduction of manufacturing, wholesale and retail prices to the level of replacement values and the mobilization of communities to assist the jobless, constitute the chief features of the emergency relief measures adopted September 30 by the National Unemployment Congress. Congress was called upon to pass at once the appropriation providing Federal aid for state highway construction on the fifty-fifty basis. The approval of the report, which was made up of the recommendations of all the emergency relief committees except those on mining, transportation and shipping, virtually brought the first phase of the conference to a close, and adjournment was taken until October 10. (Press of Oct. 1.)

---

Tax Bill      In an extended speech attacking the tax bill, Senator Simmons, ranking Democratic member of the Senate Finance Committee, September 30 charged that the revision proposed was solely in behalf of the corporations and those tax-payers whose net incomes exceeded \$66,000 a year. Senator McCumber replied in defense of the Republican measure. Senator Smoot presented his plan for a manufacturers' sales tax of 3 per cent, estimated to yield \$1,000,000,000 in revenue, and read a statement explaining its provisions. (Press of Oct. 1.)

---

Tax Bill Amendments      Referring to the amendments introduced in the Senate revenue bill, The Washington Post says in an editorial to-day: "Running true to form, the agricultural 'bloc' while advocating the elimination of transportation taxes and such other changes as appear of advantage to the interests of their section, join in the movement to oppose repeal of the capital stock tax and to cut out the \$2,000 exemption allowed corporations. Thus the sectional issue is raised to some extent, though it is not likely to endanger passage of the bill."

562156

ag.

232-237

---

Tariff Bill      Senator Penrose announced September 30 that hearings on the tariff bill will be resumed November 1, the agricultural schedule to be taken up first. (Press of Oct. 1.)





## Section 2.

Agricultural  
Bloc

"Much has been said of the alleged power of the 'agricultural bloc' in the Senate, which is a sort of third party composed of Senators of either party coming from the farming districts and who presumably have the balance of power so as to be able to force through legislation favored by the agricultural interests. While there have been many threats of such action, nothing has yet transpired to give them force. It is now suggested that it will be invoked for the purpose of retaining the excess profits tax and the retention of the high brackets on large incomes. Laying aside the controversy in regard to large incomes, the farming element does not seem to understand the economic absurdity of the excess profits tax. All that they seem to grasp is that if a profit exceeds a certain fixed percentage the rest should go to the public treasury. If it could be made to stop right there their theory might be tenable, but no statute law can prevent passing that tax on to the consumer, and in the end the farmer himself will pay the most of it, because there are more of him." (N. Y. Commercial, Sept. 30.)

Agricultural  
Industry

Referring to questions before the conference in Chicago September 29 and 30 called by the Illinois Manufacturers' Association, Hoard's Dairyman for September 30 says in an editorial: "It seems to us that one of the things that should be brought out at this conference is the fact that the greatest of all industries, agriculture, cannot be upon a prewar basis, or below, and other industries remain on a basis of 150 to nearly 200 per cent above the prewar basis and expect to have normal conditions. No such thing is possible. All other industries must be brought to a price level comparable to agriculture before we can expect times to be normal."

Cheese  
Marketing

1. "A feeling of the necessity for cheese men to get together, stand together, and if need be, fight together, has been smouldering in the breasts of the representatives of cheese manufacturers and dealers since the temporary organization of the National Cheese Association in Chicago at the National Dairy Show of 1920. The officers of the temporary association have arranged to hold a meeting at the National Dairy Show, St. Paul, October 12." (New York Produce Review and American Creamery, Sept. 28.)
2. "We have come to a time in the development of the cheese industry in Wisconsin which makes it highly desirable for the cheese factories of the state to federate into groups that they may control the marketing of their own product. There is nothing revolutionary in this. It is only following out what every manufacturer throughout the United States does and finds a profitable practice. If it is the right principle for conducting a manufacturing business, why isn't it the right principle for the dairy farmers to adopt in their business?" (Hoard's Dairyman for Sept. 30.)

Condensed  
Milk Market

A boom for the sale of condensed milk in France and most European countries is expected owing to the prolonged drought, according to Marseilles correspondence to Philadelphia Commercial Museum. (Press of Oct. 1.)





Cotton Finance  
Plan

The Journal of Commerce for September 30 says: "An organization which will solve the problem of warehousing of staple crops, commodities and rawmaterials, and at the same time provide better facilities for financing them, has been evolved in the plan of the Independent Warehouses, Inc., with fourteen storage warehouses in New York City, large plants in the two centers of the cotton belt, Augusta, Ga., and Roanoke Rapids, N. C., and negotiations in the final stages for the extension of its services to Galveston, Dallas, Atlanta and New Orleans, as well as in the cotton mill sections of South Carolina and Eastern Tennessee. Fifty-two warehouses are also maintained in Cuba for the handling of sugar and others have been established in the Dominican Republic. The Independent Warehouse plan is founded upon the demand of banks that if a loan is made with crops or commodities as collateral that this collateral be held by a disinterested party..."

County Agent's  
Work

In a lengthy editorial on the county agent's work, Pennsylvania Farmer for October 1 says: "Dr. True's definition (quoted in the editorial from Weekly News Letter for August 31) should set at rest the minds that have been exercised and fearful on this point. It points out clearly that county agents may aid and advise farmers in their cooperative enterprises, especially those organized for better and economical methods of marketing the products of the farm. Farm bureau members are clearly within their right in asking the county agent for assistance along these lines. With the prestige which farmers have attained we do not believe that the reactionaries in Congress will be able to change the law so as to limit or curtail the work of the county agents in this direction."

Farm  
Implements Cut

The International Harvester Company announces a further reduction in prices ranging from 10 to 15 per cent, effective October 1, on practically all lines of farm implements. (Press of Sept. 30.)

## Freight Rates

1. Increased and more profitable production of California vegetables is assured by the decrease in freight rates, just ordered by the Interstate Commerce Commission, according to a San Francisco dispatch to the press of September 30. The recent reductions on freight rates to the East are due, it is understood, to the probability that steamship interests will try to capture the entire fruit traffic between California and the East.
2. "Perishable fruit and vegetables grown on the Pacific coast are now carried at cheaper freight rates. This means that these western products are coming into eastern markets at cheaper transportation costs, thus competing with eastern perishables that must be moved at prevailing high freight costs. If freight rates are to be cut, the cut should be general, otherwise one section will advantage at the expense of other sections." (American Agriculturist, Oct. 1.)

Freight Rates on  
Alaskan Pulp

"Special freight-rate concessions are necessary if Alaskan producers of paper and pulp are to be enabled to live up to promises for future Pacific Coast developments," says the American Paper and Pulp Association in a bulletin to members of the association. (Phila. Ledger, Sept. 30.)





## Grain Marketing

U. S. Grain Growers, Inc., will place forty organizers in the field to sign up farmers. A one-year voluntary pool plan will be adopted in place of the five-year pool originally proposed by the grain growers. (Minneapolis dispatch to press of Sept. 30.)

Live-Stock  
Marketing

The Farmers' Livestock Selling Agency, established six weeks ago, has met with unexpected success. The new agency at the end of the first month was handling close to 20 per cent of all stock received. (St. Paul dispatch to press of Sept. 30.)

## Prices

A statement entitled "A Farmer's Survey of Prices", in Hoard's Dairyman for September 30, says: "The recent survey made by the farm bureaus of the United States to reflect the opinions of farmers has brought out many items of interest, particularly in showing the difference between the prices received for products and the prices farmers are compelled to pay." The statement incorporates a report from the Jefferson County, Wisconsin, farm bureau, as one indicating specifically wherethe present difficulty lies. This report says in part: "It takes too much milk, cheese and butter, too much wheat, corn and oats to purchase a wagon, a binder, a manure spreader, a rod of fence, a suit of clothes, a sack of flour, or a ton of coal as compared with prewar years. This point was brought out at every one of the 12 township conferences which were recently held by the Jefferson County farm bureau."

Tariff  
Commission

Referring to the announcement made recently that steps have been taken by the Treasury Department toward gathering production costs and other data from American manufacturers for the use of the Senate Finance Committee in framing a valorem duties in the tariff law, The Journal of Commerce for September 30 says editorially: "This is precisely the work that has been supposed by an unobservant public to have been intrusted by law to the Tariff Commission which has been maintained at large expense for years past... Clearly the Tariff Commission is 'out of business' so far as real influence is concerned..."

Wage  
Comparisons

"How do farm wages compare with railroad wages? At the present time the average of all classes of rail labor is 61.5 cents an hour. M. O. Lorenz, statistician of the Interstate Commerce Commission, estimates that the rate paid farm labor in the cereal section is 25 cents an hour. He estimates that if the same average wage were paid man labor in the production of wheat as is paid on the railroads the cost per bushel would increase 36.5 cents. Mr. Lorenz estimates that if the average railroad wage were paid corn growers, the man labor increase would amount to 23.7 cents a bushel. Inasmuch as the greater part of railroad labor requires no more skill, intelligence or vigor than does farm work, it follows that the high railroad wage is one of the contributing causes of high freights." (American Agriculturist, Oct. 1.)

## Wool

Enough encouragement has been had to warrant continuance of the wool auctions abroad on quite a liberal scale. All recent sales in England and Australia have shown active bidding, most marked for the finer varieties of wool. (Press of Sept. 30.)





## Section 3.

Department of  
Agriculture

In an editorial entitled "Government Promoting Cooperation," *Pride Current-Grain Reporter* for September 28 says: "Cooperation, as the farmers understand it to-day, is essentially a modified form of collectivism. As a system collectivism aims to abolish the competitive system for making exchanges of commodities. Farmer cooperation, as it is called, is the collectivist attack on the local units in trade. Practically, it is an attempt to revive the guild socialism of the Middle Ages, when each trade was organized as an economic and industrial entity, setting its own interests against all other interests of the social organism. The fact that guild socialism, after prevailing for a long period of time in a comparatively simple organization of society, gradually disappeared as modern civilization developed is the best evidence that it was found inefficient, inexpedient and stood in the way of progress... But the Department of Agriculture has taken up this exploded theory of guild socialism and calling it cooperation has begun to exploit it as a cure-all for the business deficiencies the Department finds in the agricultural class; and has begun a concerted movement to organize the farmers, or to encourage them to organize, into collectivist guilds, ultimately to separate the farms as a part, or factor of society from the producers and distributors of the towns whose interests are assumed, and virtually so declared by the Department, to be antagonistic to those of the farmers. So in the newly organized division of economics of the Department, Lloyd S. Tenny has been designated as assistant to the chief for the purpose of taking charge of this work... And presently we shall see the Department exploiting guild socialism as a Government policy for the economic organization of the farming class of this country."

## Section 4.

## MARKET QUOTATIONS.

## Farm Products

Sept. 30:- Chicago December wheat lower at \$1.20 5/8; December corn lower at 49 5/8¢. Large arrivals wheat expected from Northwest in few days. Canadian crop expected to be smaller than official estimates. Export demand very slow. Country offerings more liberal.

Chicago potato market slightly stronger. Eastern potato markets weak; demand slow; supplies heavy. Shipping points prices continue to decline.

New York Baldwin A 2 1/2 apples steady at shipping points at \$6 per bbl.

Hay markets steady under limited demand. No. 1 Timothy \$31.50 New York; \$24 Chicago. Feed market weak under heavy production and light demand.

Butter markets unchanged. Cheese markets steady.

Chicago hog market active, bulk of sales \$6.50 to \$8.25 Medium and good beef steers unchanged at \$5.75 to \$9.85. Fat lambs unchanged at \$7.25 to \$8.85. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and  
Railroads

Sept. 30: Average closing price 20 industrials 71.08, as compared with 84.00 corresponding day 1920; average closing price 20 railroad stocks 74.17, as compared with 82.76. (Press of Oct. 1)





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 2.

Section 1.

October 3, 1921.

Economic Factors in Unemployment to be Studied      Study of the economic factors responsible for recurring business depression, with consequent variation in the numbers of workers, is to be undertaken this week by the subcommittees of the National Conference on Unemployment in an effort to arrive at a permanent policy for the prevention of involuntary idleness. (Assoc. Press, Oct. 3.)

---

Farm Credit Rates      Until further notice the War Finance Corporation has fixed a rate of five and one-half per cent to banks, bankers or trust companies on all advances under Section 24, having a maturity of not exceeding six months, and carrying no renewal privilege. This rate will also apply on advances known as feeder loans to cattle loan companies maturing within six months and carrying no renewal privilege. The rate on other advances to cattle loan companies to be six per cent. (W.F.C. statement, Oct. 1.)

---

New Farm Loan Issue      Announcement of a general offering of Federal Farm Loan bonds totaling \$60,000,000 was made October 1 by the Treasury Department. The issue will bear 5 per cent from October 3. (Press of Oct. 2.)

---

Grain Trading      Trading in "bids and offers," generally known as privileges or "puts and calls," has ceased in Chicago and in the leading markets of the United States, under agreement among the different exchanges, although the Capper-Tincher bill which taxes the sale or purchase of privileges, or puts and calls, at 20 cents a bushel is not effective until December 24. Puts and calls are legal in Canada, and are traded in moderately at Winnipeg. There has been discussion among the trade in Chicago as to the advisability of placing orders in the future in the Winnipeg market. (Press of Oct. 3.)

---

Foreign Trade      That American exporters should prosecute foreign trade campaigns, was the belief expressed October 2 by Dr. Julius Klein, Director, Bureau of Foreign and Domestic Commerce. (Press of Oct. 3.)

---





## Section 2.

Agricultural  
Bloc

1. Referring to bills delayed in Congress and the probable effect upon the proposed adjournment of Congress on November 10, The Washington Post to-day says: "Meanwhile in an effort, a part of whose object is to help break the legislative log-jam, the agricultural group in Congress, through their spokesmen, have come forward through confidential channels with an interesting and significant overture. The suggestion, tentatively put out, and as yet scarcely more than a suggestion, is, in effect, that in this crisis at the Capitol the agricultural group in both Senate and House, as a group, get behind the administration's legislative program and vigorously push it to a successful termination."
2. The New York Times to-day says: "Although the House will resume its continuous sessions October 3, after a recess of six weeks, the situation existing in the Senate, unable to speedily pass the Tax bill and other measures because of the opposition of the farmer group, will compel the Representatives to play a waiting game until the Senate has acted upon the Revenue bill. This changed political condition--the formation of a powerful legislative group for the first time in an American Congress--has destroyed old-time leadership. At present the Republican leaders in the Senate cannot control. They are controlled by the group which is insisting upon legislation intended to benefit the farmer, and thus far has obtained every demand. In fact, all legislation of importance passed in this session has been that favored by the group, numbering twenty-two Senators and about 100 members of the House. The strength of this group is seen again in the pending tax bill.....The group is causing the Administration great concern....."
3. In its review of business and trade conditions, The Price Current-Grain Reporter for September 28 says of the "Agricultural Bloc": "This group now holds the balance of power in the Senate and is prepared to wreck any legislation however desirable in itself which the farmers' lobby does not approve, and is a distinct menace to the business of the nation. Under the leadership of Kenyon of Iowa, this band of 22 Republicans, Democrats and neuters is already dictating tax policies even to Penrose and his Finance Committee, and threatens if need be even to dethrone Mr. Lodge from the party leadership. The failure of the Penrose committee to live up to the party pledge, to repeal the excess profits taxes on January 1, 1921, is attributed to the Bloc's influence, as certainly all the vicious class legislation of the past months was due to its activity. To that list of bad measures the Bloc proposes to add amendments to the tax revision as follows: Enactment of a cooperative marketing bill; an increase in the limit of loans by Federal farm loan banks from \$10,000 to \$25,000; provision for the appointment of a representative of agriculture on the





Federal Reserve Board; enactment of some rural credit system to enable farmers to obtain short time loans..... Indeed, the Bloc has already assumed the function of the tail which wagged the dog and is wagging it."

#### Farm Organizations Attacked

Benjamin C. Marsh, executive secretary of the People's Reconstruction League, in New York September 29 charged that the National Grange, American Farm Bureau Federation and National Farmers' Union had memberships comprised chiefly of business men, who were engaged in "making it easier pickings for the Wall Street gamblers." He asserted that farmers in the Northwest were determined to end investment banker control of the Government and international relations; to obtain public ownership of the railroads, and to make those who profited from the war pay the cost. (Wash. Star, Sept. 29.)

#### Financing Exports

"How We are Helping Exports" is the title of an article by Eugene Meyer, Jr., in October issue of The Nation's Business. In this the author outlines in detail the operation of the War Finance Corporation in financing the exportation of American products. The article incorporates a table showing in summary form the status of the business of the corporation up to August 26. On that date advances approved totaled \$33,600,369.77; under negotiation, \$33,475,000.

#### Foreign Trade

1. O. P. Austin, statistician, National City Bank, New York, presents a review of business adjustment and foreign trade in The Magazine of Wall Street for October 1. The article says in part: "The two great causes of the tremendous fall in our foreign trade in 1921 are, it seems to me, first, the decreased purchasing power of the nations to which we have been accustomed to sell our products, and, second, the fact that the reduction in prices for which we have been clamoring has actually occurred and that therefore the fall in the figures of value is much greater than the reduction in quantities. The decreased buying power of the foreign world is probably greater than we realize.....The big fall off in the importing power of the world occurs primarily in Europe, whose imports in normal times formed over three-fourths of those of the entire world exclusive of the United States.....Europe, much as she needs our wheat and meats and cotton and copper and mineral oils and partly manufactured materials, has been able in the first seven months ending with July, 1921, to take only \$1,473,000,000 worth of our exported merchandise, as against \$2,692,000,000 in the same months of 1920, and \$3,078,000,000 in the corresponding period of 1919, and was able to send us out of her products, chiefly manufactures, only \$433,000,000 worth of merchandise, as against \$785,000,000 in the corresponding period of 1920."





Federal Reserve Board; enactment of some rural credit system to enable farmers to obtain short time loans..... Indeed, the Bloc has already assumed the function of the tail which wagged the dog and is wagging it."

#### Farm Organizations Attacked

Benjamin C. Marsh, executive secretary of the People's Reconstruction League, in New York September 29 charged that the National Grange, American Farm Bureau Federation and National Farmers' Union had memberships comprised chiefly of business men, who were engaged in "making it easier pickings for the Wall Street gamblers." He asserted that farmers in the Northwest were determined to end investment banker control of the Government and international relations; to obtain public ownership of the railroads, and to make those who profited from the war pay the cost. (Wash. Star, Sept. 29.)

#### Financing Exports

"How We are Helping Exports" is the title of an article by Eugene Meyer, Jr., in October issue of The Nation's Business. In this the author outlines in detail the operation of the War Finance Corporation in financing the exportation of American products. The article incorporates a table showing in summary form the status of the business of the corporation up to August 26. On that date advances approved totaled \$33,600,369.77; under negotiation, \$33,475,000.

#### Foreign Trade

1. O. P. Austin, statistician, National City Bank, New York, presents a review of business adjustment and foreign trade in The Magazine of Wall Street for October 1. The article says in part: "The two great causes of the tremendous fall in our foreign trade in 1921 are, it seems to me, first, the decreased purchasing power of the nations to which we have been accustomed to sell our products, and, second, the fact that the reduction in prices for which we have been clamoring has actually occurred and that therefore the fall in the figures of value is much greater than the reduction in quantities. The decreased buying power of the foreign world is probably greater than we realize.....The big fall off in the importing power of the world occurs primarily in Europe, whose imports in normal times formed over three-fourths of those of the entire world exclusive of the United States.....Europe, much as she needs our wheat and meats and cotton and copper and mineral oils and partly manufactured materials, has been able in the first seven months ending with July, 1921, to take only \$1,473,000,000 worth of our exported merchandise, as against \$2,692,000,000 in the same months of 1920, and \$3,078,000,000 in the corresponding period of 1919, and was able to send us out of her products, chiefly manufactures, only \$433,000,000 worth of merchandise, as against \$785,000,000 in the corresponding period of 1920."





Foreign Trade  
(Cont'd)

2. An association for the marketing of farm products in Latin America has been formed, with headquarters in Des Moines, it was announced October 2 by the Des Moines Chamber of Commerce, which fostered the project. Seven thousand breeders have signified their intention of cooperating with the new organization in facilitating the shipment of their products to Mexico and the establishment of a permanent terminal at Mexico City. (Press of Oct. 3.)

Grain Trading

Court action has been started by the Minneapolis Chamber of Commerce to test the validity of the state railroad and warehouse commission's order, effective October 1, designed to detect grain deals in violation of the state law prohibiting gambling in grain futures. The commission's order was drawn under the terms of a law passed by the last legislature, which permits legitimate hedging, but makes illegal all sales of grain options in which actual delivery or receipt of grain is not contemplated. (Press of Oct. 2.)

Packer Workers  
to Vote on Strike

The "Big Five" packers and the organized stock yard employees are drawing their battle lines tight in anticipation of the outcome of the strike vote to be taken by the men October 8 on the "open shop" decree of the packers. The situation arises out of the recent announcement of the packers that they will no longer deal with union representatives on matters of wages and working conditions. Packing employees throughout the country number 200,000. (Press of Oct. 3.)

Potato Marketing

Within the next week New Jersey potato farmers who are organized on a cooperative basis will take steps to arrange for a \$500,000 loan for financing next year's crop of New Jersey potatoes. It is estimated that this loan will place on a basis of commercial efficiency over 60 per cent of the potato growers of the New Jersey district. (Press of Oct. 3.)

Prices

An editorial in Farm Life for October says: "Secretary Wallace believes that prices of commodities should be on a permanently higher basis - say, for instance, sixty per cent above the prewar normal. It is not so clear how he hopes to influence the range of commodity values. We doubt if it can be done, permanently, either through the passage of laws or the pressure of administrative measures. It is certain that the efforts of the price fixers have not often been successful. .... Unexpected steadiness of values through a low industrial period would indicate that in the near future, when business settles into normalcy, prices will be good and trade will flourish. If we can have dollar wheat in a year like this it ought not to be too much to expect dollar and a half wheat in the future, with corresponding values in other farm products."





## Section 3.

## MARKET QUOTATIONS.

## Farm Products

During the week ending Sat., Oct. 1, wheat and corn prices declined to new low points on crop. Chicago Dec. wheat closed at \$1.17 3/8; Chicago Dec. corn closed at 49 1/8. Cash wheat markets were about 4¢ higher than the future; cash corn about 1¢ lower. Sentiment was generally bearish except on one day when oversold condition resulted in a rush to cover during which wheat prices gained rapidly only to lose again next day.

Hog prices gained from 10¢ to 20¢ during week; better grades of steers gained 25¢ to 50¢; sheep and lamb prices were generally steady. Lower grades of hogs and steers declined from 15¢ to 35¢. Fresh meat prices at eastern markets were generally downward.

Potato prices during week declined at shipping points and consuming markets. N. Y. Round Whites closed at \$1.75 per 100 lbs., f.o.b. Apple markets were dull but prices closed at the general range of previous week. N. Y. Baldwins brought \$6 per bbl., f.o.b., and \$6.50 to \$7 in N. Y. City. Chicago prices from about \$1 higher for Greenings.

Butter markets during week were firm on top grades but under-grades sold at irregular prices. Ninety-two score in N. Y. brought 44 1/2¢. Several shipments of Danish stock arrived, some lots bringing 46¢ in N. Y. Cheese markets were steady with a fair amount of trading. Twins at Wis. points closed at 19 5/8¢.

On Sat., Oct. 1, wheat prices registered a sharp decline under heavy selling pressure. Corn broke under hedging sales. Corn receipts more liberal and cash markets weaker.

Hogs gained 10 to 15¢ under active demand. Better grades of steers also gained slightly. Sheep and lambs steady.

Potato markets weak; prices at shipping points continued to decline. Apple prices steady to higher. Shipments continued heavy. Other fruits and vegetables in liberal supply with prices slightly lower in many markets, especially in East.

Hay prices were steady under continued limited supply. Feed prices weaker under increased production.

Butter prices gained one-half cent in four large markets, closing at 44 1/2¢ for 92 score in N. Y. Cheese trading was active with prices steady. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and  
Railroads

Oct. 1: Average closing price 20 industrials, 71.68, as compared with 84.50 corresponding day 1920; average closing price 20 railroad stocks, 74.58, as compared with 84.28. (Wall St. Jour., Oct 3.)

Department of  
Agriculture

"The National Board of Farm Organizations is very much opposed to the proposal of the Congressional reorganization committee to have the Bureau of Markets and Forest Service taken away from the Department of Agriculture." (Ohio Farmer, Oct. 1.)





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 3.

Section 1.

October 4, 1921.

Unemployment Conference Pronouncement      The pronouncement of the National Conference on Unemployment that the solution of the unemployment problem depends largely upon local communities, led to a personal appeal by President Harding October 3, in which he calls upon governors and mayors of the nation to take the steps recommended by the conference. The President stated that in order to bring about unity of action a governmental agency is to be established in Washington through which action can be promoted. It is intended that this agency will be a sort of central employment office. (Press of Oct. 4.)

---

Federal Highway Program      To help relieve the unemployment situation, an effort is being made to have the conferees representing the House and Senate on the Federal aid road bill increase the appropriation to \$150,000,000. The bill as passed by the House carried an appropriation of \$100,000,000. The Senate cut this appropriation to \$75,000,000. (Press of Oct 3.)

---

Tariff Legislation      Published reports that the administration or Republican leaders in Congress planned to abandon or unnecessarily delay enactment of the permanent tariff bill were formally denied October 3 by Senator Penrose, chairman of the Senate Finance Committee. (Assoc. Press, Oct. 4.)

---

Cotton Forecast Arouses Market      The Philadelphia Public Ledger to-day says: "One of the most rapid and exciting movements of the spectacular sessions on the New York Cotton Exchange occurred October 3 with the publication of the Government's crop reports, making the September forecast 6,537,000 bales, about half of production last year and only 42.2 per cent of normal. The market was overwhelmed with selling orders. December contracts, which rose approximately \$6.50 to \$21.05, a new high record for the season, on the sharp early upturn, slumped to \$20, and active months generally were marked down for net losses of 30 to 65 points. Almost as quickly as it came, the rush of liquidation subsided and the market became steadier on trade buying, with recoveries in the later trading. In brokerage houses crowds of traders were lined





up in front of the Cotton Exchange. The Government report was only slightly above the average of the private reports recently issued."

---

Grain  
Marketing

The grain world is now witnessing the almost complete collapse of the cooperative movement of farmers to market their own grain, Joseph D. Griffin, President of the Chicago Board of Trade, told the National Grain Dealers' Association in convention at Chicago, October 3. "The leaders in this movement are in retreat," Mr. Griffin said. "Despite their inexperience and utter lack of marketing knowledge they have been exposed as paying themselves enormous salaries. The farmer has learned that the glowing promises made to enlist his financial support are impossible of performance. Without the farmer's money to be supplied in abundant plenty this plan was foreordained to failure, and thus we are now witnessing the almost complete collapse of this embryonic monopoly." Much legislation has recently been advanced, Mr. Griffin said, "which was nothing less than a bold attempt to destroy the present highly competitive marketing system and substitute in its stead a species of monopolistic control...." (Press of Oct. 4.)

---

Section 2.

Agricultural  
Balance

An editorial entitled "Balancing Our Agriculture" in Wallaces' Farmer for September 30 says: "What we want is a balanced agriculture, an agriculture which is not being constantly unsettled first by an over-production of corn and then by an overproduction of hogs. Of course we can't do much to control old Mother Nature. But we can, when there is a huge surplus of corn one year, reduce the acreage slightly the year following..... A balanced agriculture, in the long run, is to the interest of both landlord and tenant and of both stock feeder and corn grower..... We need a careful survey of the corn belt to determine just what a balanced agriculture is, just about how many acres of corn we should put in in the spring and about how many cattle and hogs we should fatten. The consumers of the United States will eventually compel the farmers to adopt a balanced agriculture if they do not organize for this purpose themselves."

Agricultural  
Inquiry Comment

In a lengthy review of the recently issued findings of the Congressional Joint Commission of Agricultural Inquiry, as presented by Chairman Anderson, The Commercial and Financial Chronicle for October 1 says: "On the strength of the facts and theories in this statement, newspaper accounts tell us, the commission is 'about to recommend to Congress remedial legislation, having found that the temporary farmers' tariff has done little to better the condition of the farmers of the country.' Without stopping to inquire into the accuracy of these cost proportions, or the pertinency of these conclusions, may we not ask in all seriousness, what is there here upon which to base really





helpful legislation? Is not this statement, taken as a whole, tantamount to saying that if 'business' could be organized into one stupendous whole, its parts functioning with clock-like regularity, then the whole of consumption could not only be supplied adequately, but costs, wages and prices could be adequately predetermined?"

#### Corn Marketing

An editorial entitled "Holding Corn" in Wallaces' Farmer for September 30 says: "With the prospective new corn price at less than 30 cents a bushel, thousands of our readers are considering the advisability of holding their corn for a year or more in order to get something like a fair price for it. Those who are financially able to do so, will in most cases be doing the wise thing by holding their corn, holding it a year, two years or even three years, if they have the storage room and the financial ability to do so. Eventually corn which is held in this way will almost inevitably pay good interest on the money tied up as well as all storage charges. It is a good thing from the standpoint of the nation and the world as a whole that a large part of this corn surplus be held over on the farms. Even though farmers gave their corn away, Europe would not want so very much more than she is getting now, for the reason that the railroad and shipping charges amount to so much more than the original value of the corn itself..... Corn belt agriculture should be organized this winter for the holding of a considerable part of the 1921 crop and for reducing the acreage of the 1922 crop. The slogan for the spring should be, 'More Clover, Less Corn, More Money'."

#### Farm Bureau Federation Opposes Re- import Tariff

Opposition to the proposed tax of 90 per cent on American war material reimported into this country has been expressed by the American Farm Bureau Federation, which said that adoption of the tax would prevent its members and those of other farmer organizations from taking advantage of low prices on necessary agricultural equipment offered by importers. Great quantities of American farm machinery and building material have been offered to the federation at 50 per cent the wholesale price in this country, it is stated. (Press of Oct. 4.)

#### Fur Auction

The total proceeds of the International Fur Exchange auction at St. Louis, which closed October 1, were approximated at \$2,850,000, or an increase of \$500,000 over the appraised value of the furs last February. An average gain of all furs was approximated at 30 per cent. (Jour. of Commerce, Oct. 3.)

#### Living Costs and Labor

1. Referring to the National Conference on Unemployment, The Wall Street Journal October 3 says in an editorial: "Washington may as well be told now as next Christmas that there is no summary cure for unemployment. There is only a relatively slow cure. This is increased production, out of the surplus of which, and out of that alone, new employment can be found....."





There is no cure whatever which does not involve cooperation by the patient. He must change his habits. He must quit lying to himself about his standard of living..... And our public departments must quit encouraging him to lie. The Department of Labor must revise its cost of living figures to date..... It fixes its own prices for estimating living costs by correspondence; and some of them are months old..... The British Ministry of Labor has been issuing figures on the cost of living upon which wages and salaries in Great Britain have been officially fixed. Selfridge's department store shows in the London Times.....by its own figures, which anybody can test, that the price-fixing Ministry of Labor issues a table of the cost of living which is 21 per cent too high.....Is not our own department at Washington doing exactly the same thing?"

2. Referring to the same conference, The Commercial and Financial Chronicle for October 1 says: "Let us all observe the truth, and not try to give it other hues by looking through squinting eyelids. We are inevitably brought back, in every strictly truthful examination, to the same point: men are idle, to a very large proportion out of the whole unemployed, because they refuse employment. For observe that the thing is progressive and cumulative in operation and result. The obstinate who demand the cake of a so-called 'American' standard of living, and will not even temporarily take bread, not only reduce production by the amount their own real and hearty labor might add to it, but prevent others from working..... Scantiness of labor hinders agricultural production and contributes to high food prices; scantiness of raw materials hinders the manufacturing processes which carry these along to a finish;.....and so all along..... Conferences like that now in Washington may be useful to illuminate and enforce economic truths, but are not likely to evolve any 'prescriptions' which can be 'put up' and 'taken.'"

Ontario's  
Farmer  
Government

"Two Years with a Farmer Government" is the title of an article in Rural New Yorker for October 1 which reviews in detail the rule of farmer government in Ontario, Canada. The laws of special interest to farmers that have been passed under this administration include a dairy standards act, which will make it compulsory that milk at cheese factories be paid for on its butter-fat content..... Provision has been made for the reforestation of waste land and for the extension of hydro-electric power into rural districts. Another act, which is meeting with growing approval, gives municipalities the option of taxing buildings at a lower rate than land, thus encouraging improvement. In an administrative capacity, the government has been investigating the manner in which timber lands of the province have been wasted through graft and corruption, and will recover much of the money out of which the province was cheated in the past. The article says: "There is one weakness in the administration, however, that is serious - their union with labor. The administration is fortunate in labor's representation in the



cabinet - two sane, clear-thinking men. It is not so fortunate in the labor following in the House and the demand for autocratic legislation, such as a compulsory eight-hour day, and an impossible standard of workmen's compensation, are a constant source of annoyance to the government."

---

### Section 3.

#### Department of Agriculture

Commercial and Financial Chronicle for October 1, under the title, "Secretary Wallace on Purposes of Bill Regulating Packing Industry - Extension of Foreign Markets," quotes entire, with occasional comment, Secretary Wallace's address before the convention of the Institute of American Meat Packers at Chicago on August 9. It also gives the full text of the meat packers control bill.

---

### Section 4

#### MARKET QUOTATIONS.

#### Farm Products

Oct. 3: Wheat prices gained slightly under a more active buying movement. Cash premiums were well-maintained with red winters in demand. Chicago December wheat closed at \$1.12 3/8. Corn prices stayed within narrow limits, Chicago December corn closing at 49 5/8, a slight gain for the day.

Hogs opened at an advance of from 10 to 20¢, the bulk of sales ranging \$6.60 to \$8.35. Cattle prices were firm to higher, good steers ranging \$5.25 to \$10. Fat sheep and lambs were also firm, fat lambs ranging \$7.25 to \$9.

Potatoes showed little change from recent dullness. Shipments continue heavy. Eastern Round Whites, sacked, ranged \$1.65 to \$1.80 at New York; Northern stock in carlots ranged \$1.90 to \$2 at Chicago. Baldwin apples gained slightly at shipping points, closing at \$6.25.

Butter advanced one-half cent, closing at 45¢ at New York, and 44 1/2¢ at Chicago. Cheese prices also slightly firmer.

Hay demand remains very limited, and light receipts maintain prices. Feed market is weak. (Prepared by Bur. of Mkts. & Crop Est.)

#### Industrials and Railroads

Oct. 3: Average closing price 20 industrials, 71.61, as compared with 85.27 corresponding day 1920; average closing price 20 railroad stocks, 74.38, as compared with 84.30. (Wall St. Jour., Oct. 4.)

---





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 4

Section 1.

October 5, 1921.

Loss Through Unemployment      Losses in earnings of workers throughout the country during the last fiscal year due to involuntary idleness were put at more than \$6,500,000,000 in an estimate prepared October 4 by economic experts of the National Conference on Unemployment. This estimate, it was explained, covered the loss in wages because of unemployment of all the jobless in the country from July, 1920, to Aug. 15, 1921, and was based on an approximation of normal pay levels rather than on the scales at the peak of high wages. (Press of Oct. 5.)

---

Woods Head of Employment Agency      Col. Arthur Woods, formerly police commissioner of New York, will head the central agency to be established in Washington by the National Conference on Unemployment to coordinate emergency relief of the workless wage-earners throughout the country. (Press of Oct. 5.)

---

Grain Men Score Farm Sales Body      "Middlemen meeting in Chicago in the Grain Dealers' National Association voted October 4 to continue their fight against the farmers' cooperative grain-marketing movement. They indorsed the campaign conducted by their special Executive Committee, headed by R. I. Mansfield, of Chicago, and ordered it to continue its work for the next year. Mr. Mansfield reported the committee had functioned so well that 'the emergency situation has been met successfully. Our opponents are not functioning and are meeting with very little response in their campaign.' Vigorous warning was given the grain men by Mr. Mansfield that the work must be carried on for their own preservation. 'Failure to follow up this work so well begun,' he declared, 'will result in a flood of adverse legislation, in new and more visionary marketing schemes and, finally, in the concentration of the great bulk of the grain business in the United States in the hands of a few powerful interests.' In presenting the report of the association's Legislative Committee, A. E. Reynolds, of Crawfordsville, Ind., said: 'We have few more glaring instances of the unwarranted practices of professional paid lobbyists than is presented by the lobby maintained by the farm interests at Washington during the last year.'" (Press of Oct. 5.)

---

War Finance Corporation Loans      Nearly \$100,000,000 in loans now has been approved by the War Finance Corporation to assist exporters, bankers, farmers and manufacturers in moving abroad food, cotton machinery and minerals, it was stated October 4 at the office of the War Finance Corporation. Credits actually set up total \$60,000,000, but negotiations for the remainder are virtually complete, and the credits will be placed on the books





within a few days. Loans totaling more than \$21,000,000 have been authorized since September 1 on wheat, cotton, tobacco and canned fruits and vegetables. Applications for loans under the new and broader powers of the corporation, intended to assist in domestic financing of commodities as well as for export, are flooding the corporation. (Press of Oct. 5.)

## Section 2.

### Agricultural Program

The outline of a program for agriculture was prepared for the American Farm Bureau Federation by Chairman Anderson of the Congressional Joint Commission of Agricultural Inquiry. It is published in A.F.B.F. Weekly News Letter No. 39 and says in part: "A program for the future development of agriculture must have for its basis sound, accurate and current agricultural statistics. The statistics now available are neither sufficiently accurate, comprehensive nor current. There should be an expansion of the statistical divisions of the Department of Agriculture, particularly along lines of the procurement of live stock statistics..... With the development of agricultural statistics there should also be a further standardization of agricultural products and containers. The affirmative recognition of the farmer to organize his selling power and to combine for the purpose of assorting, grading, marketing and processing his product, is essential to the growth of economic farm organizations. Such a program would provide for legislation which will give the farmer just as good credit facilities as any one has, and facilities adapted to his turnover and his ability to pay from the returns of the farm..... Such a program must look to the establishment of price levels representing a fair degree of equality of purchasing power between agricultural products and other commodities, and economic rewards in agriculture equivalent to the property and labor returns in other industries....."

### Business Conditions

1. John S. Drum, president of the American Bankers' Association, said in his address at the opening of the 47th annual convention of the association at Los Angeles, October 4: "There is nothing in either the domestic or the foreign situation to give rise to the pessimistic conclusion that the world is riding straight to ruin. Rational examination of our condition to-day must prove to the greatest doubter that our problems are but the natural manifestations of a world-wide maladjustment that great natural forces are working to remedy." (Press of Oct. 5.)
2. Harvard University Committee on Economics Research, under date of October 1, says: "The trough of the business depression has, very clearly, been passed..... The depressed condition of business, which gripped agriculture, farming and manufacture, is now being followed by a recovery which, although very slow, is clearly registered by most of the available indices. If conditions in Europe were more nearly normal, and there were no possibility of a railroad strike in the United States, we could confidently count upon





the continued improvement." (Wall St. Jour., Oct. 4.)

3. Armed conflicts now in progress and the continued threat of renewed clashes present the chief obstacle to business conditions returning to normal throughout the world, according to a report made by the special committee of the Chamber of Commerce of the United States, returning from an extended trip through Europe. Conviction was expressed by the committee that the United States can not refrain "from active participation in the settlement of economic and financial difficulties confronting the world." "In every country visited," the report said, "the opinion was expressed that neither western nor central Europe can be restored to a condition which promises hope and progress for the future without our assistance." The world is operating on a basis of half the prewar standard, the committee declared, estimating that 300,000,000 persons have reduced their consumption to 30 per cent of normal. (From Ch. of Com. of U.S. press statement, Oct. 5.)

Canada's Experimental Farms

It is estimated that the present value of the work done by the Canadian Government experimental farms is at least \$50,000,000 per annum. (Commercial West, Oct. 1.)

Cotton

An editorial in Wall Street Journal for October 4 on "A Bullish Cotton Report," after reviewing the official report, says: "Counting upon a huge production next year is the merest self-deception..... The weevil has reached the northern limits of production and will be ready for its work next year. The present 27 per cent reduction in acreage was brought about because the bankers saw the futility of a large planting and refused credit for such a purpose. Under existing conditions they are not likely to change their attitude next season, and the world may as well begin now to reconcile itself to a small production next season."

Cotton Export

Germany has become the best customer of the local cotton importers, exceeding even Great Britain in takings of the staple from Norfolk, Va. The British Isles rank second, with exports of 6,792 bales reported for the season. China takes third place, with 4,650 bales shipped to that country in the last two months. Since August 1, the total amount of cotton exported from Norfolk has been 31,038 bales, of which nearly half has gone to Germany alone. (Phila. Ledger, Oct. 4.)

Crop Reporting

"The manner in which reports of yields in foreign countries are juggled in order to depress prices emphasizes the need of an extension of our crop-reporting service to every country that grows wheat. A glaring case is the manner in which the estimate of the French crop has been juggled. Since July 1 it has ranged from 238 million to 359 million, with the last report, that of the International Institute of Rome, being the highest. Now in the face of the greatest drought in fifty years, it is absurd to suppose that the French crop improved any 121 million bushels after July 1. The Argentine government now says that the 1921 crop of





that country is 168 million instead of the 187 million previously claimed....." (Farm, Stock and Home, Oct. 1.)

#### Fur Output of Canada

More than 3,500,000 pelts, worth \$21,387,000, were produced in Canada in 1920, according to the New York National Bank of Commerce. Muskrat and beaver pelts valued at \$6,000,000 and \$5,300,000 respectively, comprised about half the total, with marten, mink, silver fox and fisher following in the order named. The bank says: "The largest part of Canadian fur is exported, principally to the United States. In the fiscal year 1921 imports from Canada totaled 2,684,000 pelts, worth \$9,093,000." (Press of Oct. 1.)

#### Grain Marketing

More than 10,000 bushels of grain, mostly wheat, is being marketed daily by Northwest members of the U. S. Grain Growers, Inc., through the Equity Cooperative Exchange, which institution is acting as temporary sales agency for the national farmers' company. On September 30, 273 cars had been received at terminals in St. Paul and at Duluth and Superior. As a result of \$15,000,000 credit obtained last week from the War Finance Corporation by J. M. Anderson, vice president and chairman of the sales committee of the U.S.G.G., it is expected that the percentage of grain sold will greatly decrease. (U.S.G.G., Inc., News Letter, No. 26.)

#### Production Costs and Profits

An editorial in Wallaces' Farmer entitled "The Facts" asks "What share of the national income is received by the farmer, by the laborer, and by the capitalist?" and after discussing accepted methods of investigation says: "The Department of Agriculture, the Department of Labor and the Federal Trade Commission have all done some good work..... Unfortunately, the cost of production studies of the Department of Agriculture are questioned by the financial interests as being unduly favorable to the farmer. The work of the Federal Trade Commission is also criticized by big financial interests. The most unbiased work we know of is that being conducted by the National Research Council..... This Council is trying to find just how it is that the national income is divided year by year between the different classes of society. Slowly but surely the facts are becoming available." (W.F. Sept. 30.)

#### U.S. Grain Growers, Inc.

The official organization summary of the U. S. Grain Growers, Inc., issued at Chicago October 3, shows the membership increased 1,746 in the week ending October 2, bringing the membership to a total of 13,653. Elevators affiliated with the organization number 447, an increase of 35 within the week. (U.S.G.G., Inc., News Letter, No. 26.)

#### Wool

Advices to the Boston trade report that the New Zealand wool clip has been placed under the control of a central committee of wool-growing and marketing interests. This body is to be known as the New Zealand Wool Committee, and will include representatives of the New Zealand government as well as the interests named above. (N.Y. Commercial, Oct. 3.)





## Section 3.

Department of  
Agriculture

In its editorial review, The Grain Dealers Journal for September 25 makes the following comments: "Government market reports by wireless will be specially featured by the U.S. Department of Agriculture at state fairs and other exhibitions throughout the country. Every farmer is expected to drop the lines and let the team and plow stand still in the furrow while he runs off to the house where he has his wireless receiver to take the message at stated times. The principal objection to this aside from the waste of public funds is that it does not go far enough. The wireless should send the continuous grain quotations so the farmer by spending his entire time listening to the price fluctuations from 9.30 to 1.15 could make so much money that he would not have to work at all in the fields.

"One farm paper owner is the Secretary of Agriculture. The employees of the Department give out certain estimates of crops. Now comes another farm paper declaring the estimates are incorrect; that the crop-reporting bureau has deliberately failed to correct its corn acreage figures for 1920 and 1921 to the census basis; and that abnormally low prices for cattle, hogs and sheep are caused partly by official gross misrepresentation of oversupply of old and new corn. Admittedly, it is a real job to confront a big crop and then make an estimate that will meet the farmers' ideas of the facts the public should know about that crop. Might print the estimate on an accordion, then pull or push, expand or contract, to meet the occasion."

## Section 4.

## MARKET QUOTATIONS.

Farm Products

On Tuesday, Oct. 4, wheat prices broke sharply under hedging sales and general selling pressure. Export demand was slow. Many rumors prevalent to effect that export interests were having difficulty negotiating paper accepted for grain sold to Europe. Some Canadian grain reported at Toledo. Chicago December wheat closed at \$1.15 3/8, a new low mark. Corn markets were active but profit-taking sales caused prices to close at 49 3/8, a quarter under Monday.

Hogs opened active and gained from 10 to 15¢, the bulk of sales ranging \$6.65 to \$8.40. Good beef steers also higher, ranging from \$6 to \$10.75. Fat lambs firm, ranging \$7.25 to \$9.25.

Potato shipments so far this season have totaled 82,118 cars. Markets in distributing sections slightly stronger. Eastern Round Whites, sacked, at New York ranged \$1.75 to \$1.80 per 100 lbs.; Northern Round Whites in carlots ranged \$1.90 to \$2 at Chicago.

N. Y. Baldwin apples, A 2½, steady at \$6.25 per bbl., f.o.b., shipping points. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials  
and Railroads

Oct. 4: Average closing price of 20 industrials, 70.95, as compared with 85.56 corresponding day 1920; average closing price 20 railroad stocks, 74.06, as compared with 83.81. (Wall St. Jour., Oct. 5.)





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 5

Section 1.

October 6, 1921.

**Agriculture**                      The cost of organized labor, rail transportation and credit money must be reduced to prevent a third of the nation's agriculturists from going into bankruptcy, was the statement made by Gray Silver, of the American Farm Bureau Federation, before members of the City Club of Washington October 5. He said: "The federation is working not for class legislation and purely selfish ends, but to remedy a condition which breeds unrest in the city population and endangers the integrity and safety of the entire nation. The farmer used to find that the only way he could get any consideration of farm problems was by buttonholing a congressman and pulling him around the corner. That doesn't appeal to the farmers and, as a result, to-day we have the so-called 'agricultural bloc' in Congress which works across party lines and in the open for farm interests. As a result, we have obtained the grain control law, the packer control law, the extension of short-time farm credits through the Norris bill, and of long-time loans on land through the farm loan banks. The other laws, we hope, will help the farmer in similar ways, but permit me to say that they will also help every consumer of bread and meat--and that includes about all of us. The farmer is not living in luxury, nor even in comfort yet and, in fact, if the laws were enforced strictly, one-third of the farmers in the country would be bankrupt to-day." (Press of Oct. 6.)

---

**Economic Statistics a Need of Business**                      Economic experts of the Manufacturers' Committee of the National Conference on Unemployment declared in discussions on stabilization of business October 5 that "one of the chief causes of industrial depression is to be found in the lack of information available to business men as to certain essential facts connected with their general lines of business. The far-sighted business man is often compelled to rely upon pure guesses or arbitrary estimates. Were he to be provided with the actual facts he would often act very differently from what he now does. Stabilization of business and the avoidance of recurring industrial depressions and crises are in no small measure dependent upon a more complete knowledge of the factors affecting the business situation." (Press of Oct. 6.)

---

**Public Roads and Unemployment**                      That the Federal Government, in cooperation with the states, can promote the establishment of a great and necessary public utility and at the same time give employment to more than 1,000,000 is a conclusion pointed out in a statement issued October 5 by the American Automobile Association. In its statement the association says: "Expenditures for public roads and bridges outside of incorporated cities will amount to approximately \$600,000,000 during the current calendar year.....It is estimated that during 1921 about \$500,000,000 will be expended on street work in the different





cities in the United States and that during 1922 at least \$600,000,000 will be expended for this purpose.....It would seem, therefore, that the early passage of the pending roads legislation, which would provide for the continuation of this activity, would be a most direct and sensible means of solving the unemployment problem and thus help to restore the national prosperity." (Press of Oct. 6.)

---

Rediscount                      The Federal Reserve Bank of Philadelphia October 5 reduced  
Rates Reduced                  its rediscount rate on all classes of paper and for all maturities  
several months.              from  $5\frac{1}{2}$  to 5 per cent. The former rate had been in effect for  
(Press of Oct. 6.)

---

Mine Workers                    The United Mine Workers of America ended their biennial con-  
Desire Labor-                  vention at Indianapolis October 5 with the adoption of a resolu-  
Farm Party                      tion favoring the formation of a new political party, combining  
the forces of organized labor and the organized farmers. (Press  
of Oct. 6.)

---

Labor-Farm                      Referring to the resolution of the United Mine Workers, an  
Party                              editorial in The New York Times to-day says: "How can any one  
doubt that the two organizations would work together better than  
their several factions cooperate separately? Farmers want cheap labor. Labor wants  
cheap food. A combination between them to raise wages and the cost of living is the  
very thing needed to make politics less gloomy and more of a joke, or at least a  
less bitter jest, than when it is conducted in the manner of the old-line parties,  
which forget after election all that they promised before election."

---

## Section 2.

Cooperative                      "Cooperative marketing of farm products does not save the  
Marketing                        farmer from competition in production. The efficient producer  
will still continue to have an advantage over the inefficient  
producer. The average producer may get cost of production plus  
a fair profit, but the inefficient producer can not and should  
not generally get a profit. Consumers should not have to pay a  
profit to the inefficient producer of farm products and will not  
long continue to do so. Competition in production, therefore,  
will still exist in spite of the most efficient marketing. This  
is not any argument against better or cooperative marketing, for  
there can be none, but it is a fact which the inefficient pro-  
ducer is likely to ignore and then blame his marketing organiza-  
tion for, when it fails to obtain a price for his products which  
will give him a profit on his inefficient methods." (The Pro-  
gressive Farmer, Sept. 24.)

Cotton                            Referring to cotton fluctuations, Commerce and Finance for  
October 5 says: "These fluctuations bespeak the present confu-  
sion of the public mind in regard to the intrinsic value of cot-  
ton. Predictions are valueless. Taking a long distance view it





may be that much higher prices will be seen but the South seems disposed to sell at least a part of the year's crop at around the equivalent of 20 cents for futures."

#### Crop Insurance in Canada

An article entitled "Increasing Cost of Municipal Hail Insurance in the Province of Alberta, Canada," in The Economic World for October 1 says: "The total acreage insured at the beginning of the season of 1921 was 2,266,321 acres. On account of bad crop conditions the insurance on 212,366 acres was canceled previous to July 31, this leaving a net total of 2,053,955 acres on which insurance was carried for the season. Of this total about 80 per cent was insured at \$10 an acre, the balance being about equally divided between \$6 and \$8 an acre. The total risk carried for the year was a little over \$20,000,000. In 1920 the total risk was not quite \$22,000,000. The total award for losses in 1921 was about \$2,150,000, or about 40 per cent more than in 1919 and 1920 awards combined. This is the greatest percentage of loss since the beginning of municipal hail insurance in 1914."

#### Dairy Industry in Washington State

"Milk condenseries in Washington, which at normal capacity can take second or third rank of all the states, are behind in orders, and bid prices for raw milk have advanced until the dairy farmer, who was left out of all profits during the war and for some time after, is getting a living revenue. One entire industry in this section, then, has been redeemed. All this in the past 90 days. Washington condensed milk is going into the eastern domestic trade and the export inquiry is increasing." (From article on conditions in the Northwest by C. E. Hunt, editor of Seattle Post-Intelligencer, in Commerce and Finance, Oct. 5.)

#### Filled Milk Legislation

Gray Silver of American Farm Bureau Federation, is the author of an article in New England Homestead for October 1 entitled "Milking the Cocoanut Cow." He says in part: "In the last year cocoanut oil has displaced 8,000,000 pounds of butter fat. Personally, I am certain that a large part of the 86,000,000 pounds of 'filled' milk sold last year was purchased by the consumer with the belief that the product is fully as good if not better than whole condensed or evaporated milk.....The growth in its use is fully substantiated by the fact that in 1917 the output was 40,000,000 pounds, while in 1921, 85,000,000 pounds. Five states,..... already have passed laws prohibiting the manufacture of filled milk and bills have been introduced in New Jersey, Pennsylvania and Washington.....Any legislation which proposes to prohibit the manufacture and sale of filled milk by the Federal Government,..... will not be effective in intrastate trade and manufacturers may be expected to set up establishments for trade within the states.... Should a bill be passed which prohibits traffic in filled milk in interstate commerce, the states will have to pass laws prohibiting the manufacture of filled milk. Two bills have been introduced in Congress, one by Representative Beck.....and the other by Representative Fordney. These bills place a heavy tax upon the manufacturer, the dealer and the filled milk product itself and thus seek to tax out of existence the insidious industry....."





**Live-Stock  
Financing**

The War Finance Corporation October 4 approved, under Section 24 of the Act, an advance of \$175,868.40 to a financial institution of Chicago which had made loans of that amount on livestock in Idaho. (W.F.C. press statement, Oct. 5.)

**Production  
and Distribu-  
tion Balance**

Referring to Representative Anderson's statement that the production of goods represents 37 cents of every dollar, profit 14 cents, while the remaining 49 cents is chargeable to serving the customer, The Annalist for October 3, in an article entitled "Balancing Production and Distribution," says: "Even so systematic an institution as the School of Business Research at Harvard University is able to present statistics of retailers' profits only between two widely divergent variables. Its studies of the retail shoe trade, for instance, show that the total expenses of running shoe stores varied from 6.57 per cent to 25.35 per cent of the net sales. The expenses included buying and selling costs, delivery, management, rent and other factors which did not even approach standardization.....The observation of Representative Anderson that large sums go for service has some justification in certain phases of the retail trade. Even though this service does not seem to add to costs, it has a reflex action also upon increasing demand, and thus scaling down the production costs."

**Road Work for  
Unemployed**

"A number of state officials and others throughout the country are advocating the extension of roadwork in order to give employment to the large number of unemployed labor throughout the country, and some cities and states are doing more or less along this line. For instance, in Bridgeport, Conn., there are said to be about 30,000 unemployed because of the closing down of plants called into existence by war necessities, and the city is endeavoring to give employment to as many as possible of these by doing street grading in outlying sections, where it is not probable that paving will be carried out for some time to come and where consequently the grading might have been postponed for some months or years under other conditions." (Public Works, Oct. 1.)

**Tariff Rates**

August 1 has been fixed by the Treasury Department as the date upon which the investigation division will base its data on costs of commodities for the American valuation plan of fixing duties on imports. (Journal of Commerce, Oct. 4.)

**Wool**

"Wool markets continue firm, though some falling off in demand is reported from Boston. Medium wools have shown a slight advance. The foreign markets are strong, quotations at Liverpool rising 5 to 10 per cent over the London closing on the 15th. Firmer prices are reported from Canada." (Commerce and Finance, Oct. 5.)

---





## Section 3.

Department of  
Agriculture

1. "Going Off Half Cocked" is the title of an editorial in Orange Judd Farmer for October 1, which says: "An attempt is being made to discredit the crop estimates of the U. S. Department of Agriculture and to assail the official character of Secretary of Agriculture Wallace by the charge that the department estimates of corn acreage are much too high. As proof the critics submit the census figure of 87 million acres of corn in 1919 against the department estimate of 100 million. There is no foundation whatever for the criticism because the department figure includes all corn - that grown for grain, for silo, for forage, and that hogged down, while the census inquiry covered only 'corn grown for seed and harvest.' The figures are not comparable, and the criticism is not creditable."
2. In a review entitled "Research on Fertilizer Formulas," Commercial Fertilizer for October says: "In this field of research considerable progress is being made by Dr. Oswald Schreiner of the U. S. Department of Agriculture, who is conducting fertilizer tests on the principal types of soil and on the leading crops..... Dr. Schreiner is conducting his investigations on the 'triangle' plan, in which it is possible to study the question of what constitutes a balanced fertilizer for a certain crop on a particular kind of soil. The results of this kind of work will mean much to the farmer, because fundamental facts will be discovered that will enable the fertilizer manufacturer to so compound fertilizers that the fertilizer consumer may realize the greatest economy in fertilizer use."

## Section 4

## MARKET QUOTATIONS

## Farm Products

On Wednesday, Oct. 5, grain prices continued to tumble, all grains reaching new low points for season. Wheat markets were under general selling and hedging pressure, amounting to liquidation. Reports received at Chicago to effect that trouble is being had with European paper taken for exports. Chicago December wheat closed at \$1.11 5/8; December corn at 48 5/8.

Potato markets show but little change from the dullness prevailing for several days. Prices at most points were steady. Apple markets and prices were steady.

Butter prices were continued firm, advances being registered at several points. Ninety-two score at New York closed at 45¢; at Chicago 44 1/2¢. Cheese prices also steady to firm, lower retail prices having stimulated trade.

Hogs opened higher and closed steady. Bulk of sales ranged \$6.75 to \$8.50. Desirable cattle higher, good steers ranging \$6.15 to \$10.40. Fat lambs and sheep were strong, fat lamb prices ranging \$7.25 to \$9.25. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and  
Railroads

Oct. 5: Average closing price 20 industrials, 70.46, as compared with 85.60 corresponding day 1920; average closing price 20 railroad stocks, 73.76, as compared with 84.26. (Wall St. Jour., Oct. 6.)





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 6

Section 1.

October 7, 1921.

**Tax Revision**      Republican Senate leaders in a series of conferences October 6 agreed upon a tentative tax revision program which they believe will close the principal gap within their party ranks in the Senate and at the same time prove acceptable to the Republicans in the House of Representatives. Main points in the program are an increase in the maximum surtax rate from 32 per cent to 50 per cent and repeal of the tax on freight, passenger and Pullman transportation. In addition, it is proposed to repeal the \$2,000 exemption allowed corporations, which would mean an additional \$60,000,000 of revenue from corporate sources, retain the corporation capital stock tax, estimated to yield \$75,000,000 next year, and repeal the various so-called nuisance taxes, such as those on soda water, cosmetics, proprietary medicines and the like. There also was said to have been a tentative agreement to increase the estate taxes so as to have a maximum of 40 or 50 per cent on estates in excess of \$100,000,000. The present maximum is 25 per cent on estates of \$10,000,000. (Assoc. Press Oct. 7.)

---

**The Tax Bill**      An editorial in to-day's Philadelphia Public Ledger entitled "On the Rocks" says: "The carefully shaped Tax Revision Bill of the Senate Finance Committee is on the rocks, with its seams opened, its rigging wrenched and the lifeboats smashed on the davits. Viewed from afar off, it looks like a total loss, with small insurance. The whole thing is to be revised out of all semblance to the bill that came out of the House in August and that recently came to the Senate floor from the Finance Committee. Senator Penrose and the committee, the President, the Secretary of the Treasury and the House of Representatives are now watching the work of weeks broken up on the rocks of Senate opposition. The opposition forces have been growing and preparing all summer. The American Farm Bureau Federation holds the 'farm bloc' in the hollow of its plow-hardened hand; and the federation has for eighteen months been getting ready to block any move that would reduce income taxes in the high brackets, wipe out the excess-profits taxes or place any kind of sales tax on the Federal books of law....The 'bloc' may take a sales tax, if it specifically, definitely and beyond all doubt keeps any of that tax from falling upon the dried prunes of California, the dried apples of Illinois or on anything else that the farmer sells in a manufactured or semi-manufactured state. The smoot sales tax has seized suddenly the strategic ground of a middle position and a compromise possibility. If the 'farm bloc' can be won over by concessions and specific exclusions, then Penrose and the 'Grenadier Guards' among the elder statesmen may listen to reason."

---





Daily Surveys  
of Business  
Conditions

Publication by the Government of daily surveys of business conditions, similar to weather reports, was suggested by F. M. Feiker, assistant to the Secretary of Commerce, in an address before the industrial engineers' conference at Springfield, Mass., October 5. Every business man in the country, Mr. Feiker said, is waiting for some concise authoritative daily guide to the business situation. (Press of Oct. 6.)

---

Agriculture

William M. Wood, president of the American Woolen Company, in an address at the farmers' gathering at Andover, Mass., October 5, said in part that the farming industry is of paramount importance to the country, involving an invested capital exceeding \$80,000,000 or more than that of all the railroads and manufacturing industries combined. He declared that while the interests of the farmers vary according to their locations they have interests in common and that furthermore all industries are interdependent. New England farmers, he asserted, are dependent especially upon the success of the other New England industries, while the farmers of the West and South do more of an export business. (Jour. of Commerce, Oct. 6.)

---

Section 2.

Business  
Conditions

1. National industry to-day is in the early springtime of recovery, having entered the period of easier credits, the Secretary of Commerce told members of the American Manufacturers Export Association in New York October 6. This was marked, Mr. Hoover said, by the rise in the price of bonds and the fall in Federal Reserve and interest rates generally. "There is in the construction industries even a larger activity than at this time a year ago," he said. "Our exports of foodstuffs have not only been increasing, but they are also larger in volume than that of a year ago, and this, indeed, without any forced measures of foreign government credits." (Assoc. Press, Oct. 7.)
2. Outstanding features of the current monthly reports of several of the Federal Reserve districts are as follows: Third (Philadelphia) district reports that the "outstanding event of the past month was the spectacular rise in the cotton market, and to it may be attributed in large measure the better actual position of many textiles and the better sentiment in business generally." Fifth (Richmond) district reports that the outstanding development was the substantial increase in cotton prices. The report states that concrete results of the higher quotations have not as yet developed to any material extent, but the psychological effect of the rise has been far-reaching and has permeated every line of business in the South. Sixth (Atlanta) district reports that the outstanding feature of the business situation is the improvement in the South's economic position resulting for the most part from the advance in the price of cotton, the principal agricultural product of the District. Seventh (Chicago) district reports that "some improvement is noted in underlying conditions in the Middle West. Corn





cribs and granaries in the corn belt states in the Seventh Federal Reserve District are now partially empty, for the first time in over a year. The export demand for corn continued throughout the last month and is still in evidence." Eleventh (Dallas) district reports that "the improved market position of cotton seems to overshadow in importance all other factors which have contributed to changes in the business situation of the Eleventh District during the past 30 days.....That this confidence is communicating itself to other industries and channels of commerce is obvious from the reports of revived wholesale trade activity which closely followed the sharp advance in the cotton market."

3. "That 10 states of the Middle West are rapidly reaching a pre-war normal buying status is revealed in an extensive trade survey of 16 states just completed by the farm paper publishing concerns owned by Senator Capper. Reports from 406 chambers of commerce show Illinois and Kansas tying for first place, with Colorado, Iowa, Nebraska, Indiana, Wisconsin, Missouri and Arkansas following in the order named.....The survey, which consisted of reports from 5,000 bankers, chambers of commerce, county agents, wholesalers and retailers of the various states shows that the textile business is in better condition than any other line of trade.....The number of farm failures was little if any above normal number although many sections in the north central states suffered severely from poor crops. Farmers as a whole are not reported as investing to any great extent, the volume of investment being greatest in live stock, with automobiles second." (Topeka, Kan., Dispatch & N.Y. Daily News Record, Oct. 6.)

#### Cotton

1. In its review of the official cotton report, New York Commercial for October 4 says: "The view is held in the South that the collapse of cotton values was responsible more than any other cause for the depression from which the entire country has suffered because of the inter-relation with other industries. It cannot be denied that the break in the price was the effect of world-wide readjustments, but as soon as those world causes spread to the South the cotton collapse itself became a cause because of the tremendous reduction in buying power throughout the cotton states. It affected 30,000,000 people directly, and naturally the withdrawal of the buying power of such a large percentage of the population had its effect upon manufacturing in every part of the country; and in turn upon every other business interest."
2. The London Times learns in connection with the Egyptian cotton freight controversy that information has been received from Alexandria that the United States Shipping Board is prepared to carry cottonseed to the United Kingdom at a shilling per ton below the British rates, and is further prepared to pay the difference between the rates of insurance charged for cargo carried in American vessels and the lower rates of insurance quoted for British steamers. (Assoc. Press, Oct. 7.)





Economic  
Analysis

The September Review of Economic Statistics of the Committee on Economic Research of Harvard University says: "After the first few days of August there was steady decline in the price of industrial stocks. Dow, Jones and Co.'s index of 20 industrials dropped to the lowest point of the present depression, \$63.90 on August 24; the average for the month was \$66.80,  $2\frac{1}{2}$  per cent below that of July. After August 24 prices were higher, and on September 10 reached the highest point since June 4. They have been somewhat lower since. The average price of railroad stocks has shown a similar movement, although the high point reached on September 13 was below that of the first week in August and has been exceeded since September 22."

## Freight Rates

Railroad proposals to increase trans-continental freight rates on lumber and forest products moving from Oregon, Washington, Utah and Idaho to El Paso, Tex., by 25 per cent were not held justified by the Interstate Commerce Commission Oct. 5. The commission also refused the railroad's request for an increase in lumber freight to and from intermediate points, amounting to  $33\frac{1}{3}$  per cent. (Press of Oct. 6.)

## Labor

A slight decrease in unemployment throughout the United States was reported for September by the Department of Labor in a summary of conditions made public October 6. On September 30, the department said, 1,428 establishments had 18,050 more workers on their payrolls than on August 31, an increase of 1.2 per cent. In 65 principal cities, employment decreased in 26, but increased in 38, and in Columbus, Ohio, remained unchanged during the month. The summary showed also that the percentage of change was greater in the cities reporting increased employment than in those showing decreases. Increases by industries were noted particularly in food production, textile manufacturing, nearly all metals, stone, glass, clay, lumber, chemicals, and railroad shops. The industries reporting decreases included automobiles, leather and its products, paper and printing, and tobacco manufactures. (Assoc. Press, Oct. 7.)

## Prices

1. In its "Price Outlook" the September Review of Economic Statistics of the Statistical Service of Harvard University says: "The prospects are that, even in countries where inflation has been checked, and contraction of credit and currency has prevailed, prices will in general react upwards in the coming months. Already signs of this are visible. In view of the violence of the decline in prices, the advances are not unlikely to be more considerable than have occurred after most previous crises; but the rate in increase depends largely upon the rate of recovery from the depression, which now promises to be slow.....Even in the near future, however, the course of prices will not be the same in different countries, and the trend of prices, country by country..... may be so pronounced as almost to obliterate the influence characteristic of a period of business revival. It is time to raise the more fundamental question where the postwar normal level of prices will be, and whether the trend in the next decade will be downward, as between 1865 and 1896, or upward, as between 1898 and 1914, or whether further readjustments are yet necessary before the beginning of a normal trend can be discerned."





2. The monthly index number of average commodity prices for September, published October 4 by Dun's Review, showed a decline of less than one-half of one per cent from August's total, and a decline of approximately 39 per cent from the highest point of the war period, reached in May, 1920. Although four out of the seven groups of products reported on by Dun's showed an increase for the month of September, the drop in breadstuffs, meat and miscellaneous products was sufficient to offset the increases and bring the total down to \$161,339. (Press of Oct. 6.)

---

Section 3.

Department of  
Agriculture

New York Commercial for October 6 says in a dispatch from Chicago entitled "Grain Dealers Taken to Task," "Having listened for several sessions to discourses upon the iniquities of the farmers' grain organizations, members of the Grain Dealers National Association in convention at Chicago found themselves likewise taken to task to-day by Dr. R. E. Doolittle, of the Bureau of Chemistry at Washington. Dr. Doolittle informed the delegates gently, but none the less firmly, that certain factors in the grain trade were mistaken when they thought that the new grain standards act had nullified the effect of the Food and Drugs Act upon shipments of oats, wheat and other cereals." The dispatch further quotes Dr. Doolittle's remarks at some length.

---

Section 4.

## MARKET QUOTATIONS.

Farm Products

On Thursday, Oct. 6, wheat prices rallied somewhat and sentiment was less bearish. Previous to rally prices sagged to new low point. Chicago December wheat closed at \$1.13 1/8. Italy and the Orient entered export markets, the latter buying Pacific Coast wheat. Corn showed good resistance and averaged slightly higher. Chicago December corn closed at 49 1/2¢.

Potato markets fairly steady. Movement was lighter. Prices at shipping point were slightly stronger. Eastern Round Whites at New York ranged \$1.80 to \$1.95, sacked; at Chicago bulk stock ranged \$2 to \$2.20. Apples remained firm, N. Y. Baldwins bringing \$6.25 per bbl. at shipping points.

Hog trading fairly active but light-weights ruled lower. Better grades lost most. Bulk of sales ranged \$6.85 to \$8.40. Good steers ruled steady; medium grades closed lower. Good steers ranged \$6.15 to \$10.40. Fat lambs ranged \$7.50 to \$9.25.

October cotton futures at N. Y. advanced 77 points, closing at 20.15¢. Spot prices advanced 54 points, closing at 20.32¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and  
Railroads

Oct. 6: Average closing price 20 industrials, 70.42, as compared with 85.23 corresponding day 1920; average closing price 20 railroad stocks, 73.55, as compared with 84.61. (Wall St. Jour., Oct. 7.)





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. III, no. 7

Section 1

October 8, 1921.

### Tax Revision Bill

Amendments to the pending tax revision bill agreed to by Republican leaders in the Senate were made public October 7

formally in advance of their consideration to-day by majority

members of the Finance Committee. They would provide for: A maximum surtax rate of 50 per cent on that part of incomes in excess of \$200,000, in lieu of the committee plan for a 32 per cent maximum on the excess over \$66,000. Repeal of the express, freight, passenger and Pullman transportation taxes, effective at the passage of the bill. An increase of \$2.20 a gallon to \$4 a gallon in the tax on distilled spirits produced, imported or withdrawn from bond for use for industrial, medicinal or other purposes. Restoration of the capital stock tax of \$1 on each \$1,000 of invested capital. A graduated increase in the estate tax rates to a maximum of 50 per cent on the excess over \$100,000,000 in lieu of the present maximum of 25 per cent over \$10,000,000. Repeal of the excises on sport goods, chewing gums, perfumes, essences, tooth and mouth washes and pastes, dentifrices, toilet powders and soap and soap powders and other miscellaneous taxes sufficient to make up a cut of \$37,000,000 annually. Elimination of the proposed tax on hotel accommodations. Reduction in the tax on candy to 3 per cent with elimination of the committee proposal for a 10 per cent tax on candy selling at wholesale for more than 40 cents a pound. The other excise provisions of the Senate bill would stand, including repeal of the excess profits tax next January 1, a flat tax of 15 per cent on corporation incomes and increased exemptions for heads of families and on account of dependents..... (Assoc. Press, Oct. 8.)

### Agrarian Bloc Plans to Hold Advantage

The Philadelphia Public Ledger to-day says: "War not peace appeared last night the outcome of conciliatory measures adopted by Republican leaders in the Senate to check insurgent tendencies of the so-called agrarian bloc. A sectional clash of real seriousness seemed in prospect. In the flush of their victory over the Administration

forces, who agreed tentatively that the Penrose Tax-Revision Bill should be ripped to pieces, the farmer group of Middle Western Republicans turned to new fields to conquer. They are to make the attempt to wreck the Administration Railroad Financing Bill--the next major measure on the Senate calendar. Senator Kenyon, chairman of the agrarian bloc, has called a meeting for to-night, to consider support of an amendment to the Railroad Bill, which would provide that carriers would not be eligible to the financial benefits of that legislation unless and until they had put into effect substantial reduction in rates."

### Freight Rates

A resolution directing the Interstate Commerce Commission to order a 25 per cent reduction in freight rates on grain, grain products, live stock, coal, hay and cotton, with provision that after they become effective no increase could be made without act of Congress, was introduced in the House October 7 by Representative Dowell. (Press of Oct. 8.)





Committee Report on Unemployment      Practical completion of a majority report on permanent measures for the betterment of business throughout the country was effected October 7 by the manufacturers' committee of the National Conference on Unemployment. Whether a minority report will be submitted to the full conference when it reassembles Tuesday was not disclosed. On the question of business readjustment, the majority of the committee was understood to hold the view that readjustment of wages and prices downward was a necessary precedent to a commercial readjustment from which a revival of the nation's industry could spring. In connection with the readjustment process, the report was understood to favor lower freight rates to permit of a greater flow of commerce. (Assoc. Press, Oct. 8.)

---

### Section 2.

#### Agricultural Financing

Eugene Meyer, Jr., Director of the War Finance Corporation, declared on his return to New York October 7 after a trip West that the assistance given to the live stock industry by this agency is ending liquidation, restoring confidence and saving for Eastern industries a purchasing power of great importance. The few hundred thousand dollars thus far advanced, he said, have had a far-reaching moral effect, especially by encouraging the formation of local loan companies. (N.Y. Times, Oct. 8.)

#### Business Conditions

1. The worst of the credit stringency seems to be over, and it appears that the country has borne the period of stress remarkably well, it was reported to the American Bankers Association convention at Los Angeles October 5 by its economic policy commission, of which Paul M. Warburg is chairman. "Natural recuperative forces are now making for recovery," the report said, "and there is every reason to believe that when wages have been readjusted and normal balance is reestablished between industries and between nations our country will enter upon a new career of prosperity and advancement." (Press of Oct. 7.)
2. Richard Spillane, editor of the business section of the Philadelphia Public Ledger, completing a tour of the northern part of the country from the Atlantic to the Pacific, reports that "unquestionably there has been a decided improvement in the whole structure of business." His deductions on the trend of business, based on the surveys he has made in the important industrial centers, are told at length in Philadelphia Ledger for October 7.
3. Charles H. Markham, president Illinois Central Railroad, says in Chicago Journal of Commerce, October 6, "The twin industries of agriculture and the railroads, furnishing indispensable services and employing the labors of a large portion of the working population of the country, exercise a tremendous influence upon business stability and growth, both by reason of the essential services they produce and the buying power represented in their workers. They have been subnormal, because of conditions beyond their control, but the tide has turned. The ebb which began nearly a year





ago has run its course, and the flow in the opposite direction has begun. Steady improvement may be expected. It will be slow, as all such recoveries from business dependency are slow, but he is a pessimistic student of conditions who fails to see all about him the trend toward stabilization."

#### Cotton

"That the Emergency Fleet Corporation intends to make a vigorous fight for participation by American steamships in the movement of Egyptian long staple cotton and other products to American ports, was indicated October 7, following publication of a statement in the London Times of that date on the controversy....." (N.Y. Times, Oct. 8.)

#### Financing the Farmer

In an extensive editorial entitled "Financing the Farmer," which reviews fully the operation of the War Finance Corporation and the Federal Reserve System in their relation to the needs of the farmer, The Nebraska Farmer for October 8 says: "The most unfavorable aspect of the Federal Reserve bank rate is not the high rate that must be paid on borrowing from this source, but that this rate, by accepted practice, becomes the established rate through the entire district..... The general demand now is for a readjustment of values. It is admitted upon every hand that one reason for the present business depression is that prices for farm products are far below the level of prices that are charged for other commodities. Bankers themselves are uniform in the opinion that this condition must be remedied. What, then, could be of more striking benefit in such a readjustment of values than for the Federal Reserve Bank to lower its interest rate and thus encourage a similar reduction in all other lines?"

#### Food Prices

Retail food prices during September were found by the Labor Department to have declined in all but two of fourteen cities in which it conducts investigation. Decreases amounted to 2 per cent in Milwaukee, Minneapolis and Portland, Maine; and 1 per cent in Atlanta, Birmingham, Cincinnati, Little Rock, Louisville, Norfolk, Philadelphia and Salt Lake City. San Francisco foods retailed at prices 2 per cent above previous findings, while in Dallas there was a fractional increase, and in New Haven a fractional decrease. In the average city, retail prices were found on September 15 to be about 25 per cent less than one year previously, but were still between 33 and 56 per cent above the 1913 level. (Press of Oct. 8.)

#### Foreign Trade

1. "When surpluses accumulate, prices are demoralized and employment ends until the excess has been consumed..... Generally speaking, the last ten per cent of production makes the harvest, and it is this last ten per cent that we must insure disposal of to customers in foreign lands. Except with a merchant marine under our own control there can be no assurance of these essential markets." (From address of Chairman Laskey of Shipping Board before the Associated Advertising Clubs of the World, in New York, Oct. 5.)





2. Sir Drummond Fraser, of London, international organizer for a bond scheme for international credits, in an address before the convention of the American Bankers Association at Los Angeles, October 5, warned the bankers that restriction of the credit of European countries means an inevitable shrinkage of exports from the United States or other creditor nations and a continued stagnation of foreign trade. Sir Drummond suggested the formation of national export corporations in each of the lending countries, United States, England, France and Italy and others, backed by a pro rata guarantee of the Governments, banks and other financial institutions. (Press of Oct. 7.)

Government  
Finances

"Reorganization of the House Appropriations Committee, with elimination of legislative kinks in the system of framing big supply bills, was announced yesterday by Chairman Madden. The principal change, made necessary by the desire to work in close harmony with Director Dawes, of the Budget Bureau, is a regrouping of items in each appropriation measure, so that all expenditures, whether for the support of the diplomatic service or enforcement of prohibition, will be put into one bill. Heretofore many items relating to one department have been scattered through a number of bills, which made it difficult for senators and representatives to know how much a certain department of the government might cost....." (Wash. Post, Oct. 8.)

Grain Dealing

1. At the Grain Dealers National Association convention at Chicago, October 5, reports of the publicity campaign being waged to offset the work of the U. S. Grain Growers, Inc., were presented. The special committee of the grain dealers reported that it had actively combatted the grain growers' campaign by means of publicity in farm and general publications and through letters to the farmers at a cost of \$40,386, instead of the \$250,000 fund they were charged with raising. R. I. Mansfield, chairman of the committee, issued a warning that the work must be continued if the grain dealing trade desired to live. (N.Y. Commercial, Oct. 6.)
2. The Grain Dealers National Association announced at Chicago October 6 that the headquarters of its special legislative committee will be moved from Chicago to Toledo at once, because of what it termed the "failure" of the cooperative grain marketing plans of the American Farm Bureau Federation. "The emergency which caused us to open offices in Chicago has passed," said a statement issued by the association. "This emergency was to warn the farmer that the ambitious grain pooling scheme trumpeted to him last spring as a panacea must fall of its own economic defects. The emergency has been met effectively..... This failure has come to pass, as is evidenced by the abandonment by the pool of its fiscal organization, the Farmers' Finance Corporation, by its failure to market grain through its own machinery, and by the fact that to-day less than 1 per cent of the membership of the American Farm Bureau Federation, which conceived the pool, have trusted their own grain to it." (Press of Oct. 7.)





## Tariff

"A wave of indignation against the emergency tariff which soon will result in retaliatory duties against American goods and commodities, is sweeping all countries of Europe and South America, according to reports received at the Department of Commerce." (Phila. Ledger, Oct. 8, which gives details of some retaliatory duties.)

## Wool

Interest was very general in the offering of 5,500,000 pounds of wool by the Government October 6, only 6 lots out of 300 being withdrawn. Prices showed an advance generally of 5 to 10 per cent. (Boston dispatch to N.Y. Times, Oct. 7.)

---

 Section 3.
Department of  
Agriculture

The Round-Up for October 1 says: "The Bureau of Markets of the U. S. Department of Agriculture is to be transferred to the Department of Commerce soon. This department has to do with the enforcement of the Grain Standards Act, Cotton Futures Act, Market News Service, Standardization Projects and the like."

---

 Section 4.

## MARKET QUOTATIONS

## Farm Products

On Friday, Oct. 7, wheat prices sagged to within but one cent of the dollar mark, the Kansas City December future closing at \$1.01. The Chicago December future closed at \$1.09½. Slow export demand, lack of outside support, and a general selling pressure were market factors. Corn cash markets weakened slightly. Chicago December corn closed at 48½¢. No. 2 mixed corn closed at 46¢. Chicago elevators are reported as nearly filled. No. 3 white oats closed at 31¢.

Potato prices were steady to firm, Round Whites ruling \$1.80 to \$1.95 at New York, and \$2.10 to \$2.25 at Chicago. Apple prices also firm, N. Y. Baldwins bringing \$6.50 per bbl., f.o.b.

Hogs active and higher, closing strong. Bulk of sales ranged \$7.10 to \$8.50. Nearly all cattle classes and grades were steady, good steers ranging \$6.15 to \$10.40. Sheep and lamb market also steady, fat lambs ranging \$7.75 to \$9.25.

October cotton futures at New York declined 30 points, closing at 19.85 cents. Spot prices declined 41 points, closing at 19.91 cents.

Butter and cheese markets were steady; prices gaining a fraction at some points. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials  
and Railroads

Oct. 7: Average closing <sup>price</sup> 20 industrials, 70.66, as compared with 84.40 corresponding day 1920; average closing price 20 railroad stocks, 73.67, as compared with 83.84. (Wall St. Jour., Oct. 8)





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 8.

Section 1.

October 10, 1921

Secretary Wallace  
Explains Reserve  
Board Stand

Concerning the ruling recently made by the Federal Reserve Board to the effect that growers' drafts accepted by cooperative marketing associations should be classed as agricultural paper eligible for rediscount at Federal Reserve banks, Secretary Wallace said yesterday: "It is a ruling of great importance, and should result in making additional credit available for farm use. It appears that drafts drawn by members upon associations designed to market their produce are to be regarded not as evidences of produce by the association, but rather as advancements made by the association in the capacity of consignee, when the association operates on a pooling basis, with full authority to defer selling the produce or to sell it in a modified condition. ..." (Press of Oct. 10.)

Farm Bloc Program

A program of legislation for the relief of the farmer was agreed upon in a conference of the agricultural bloc in the Senate at the home of Senator Capper October 8. Chairman Kenyon announced that it was decided to take from the banking committee and bring into the Senate a bill by Senator Fletcher to increase farmer credits, together with another bill by Senator Fletcher to make the Secretary of Agriculture a member of the Farm Loan Board. The latter bill also would reduce the board's membership from six to four. Among the major features of the agricultural relief program to be presented, senators said, were the cooperative marketing bill, representation for agriculture on the Federal Reserve Board and Interstate Commerce Commission and farmers' personal credits legislation. (Press of Oct. 9.)

Tax Bill Attacked

Representatives of the National Association of Manufacturers and other business organizations voiced to President Harding October 8 their hostility to the proposed tax bill and criticism of Congress's delay in passage of an adequate measure. The manufacturers' delegation urged the adoption of the manufacturers' sale tax. (Press of Oct. 9.)

Tax Bill Problems

An editorial in to-day's Washington Post, referring to the complaint of the National Association of Manufacturers to the President against the pending tax bill, says in part: "The complaint ... places this powerful organization on record as opposed to the plan of the tax bill now under consideration and as favoring the Smoot plan of substituting a manufacturers' sales tax. It also deprecates the leadership of the Republican party in Congress





and urges the President himself to assume the role of leader in shaping tax legislation. The committee expresses the opinion that the amendments to the tax bill agreed upon in response to the demand of the agricultural bloc in the Senate will not make it any more acceptable. ... The statement made by some Congress leaders that any tax bill enacted at this time must necessarily be regarded as a temporary measure has called forth caustic comment, but nevertheless it is true, whether or not it may be politic. The revenue yield under this pending bill or under the proposed tax would depend almost entirely upon the volume of business transacted, and no prophet has yet risen who will undertake to predict to what extent business will have revived in the next six months or the next year. The only basis upon which Congress can proceed is the estimate of experts, which at best is only a guess. If the income under the legislation enacted should be insufficient it is obvious that the law must be amended to provide additional revenue. On the other hand, if the anticipated business revival comes with a rush it may be possible to revise taxes downward. Amid the uncertainties of this abnormal situation it is plain that a tax bill passed at this time must in the very nature of things be regarded as temporary."

---

Section 2.

Agricultural  
Credits and  
Federal Reserve  
System

1. In response to a request by the American Bankers Association in convention at Los Angeles, for an expression of his views on agricultural credits in relation to the Federal Reserve System, Representative Anderson, chairman of the Congressional Joint Commission of Agricultural Inquiry, said in part: "Elements determining discount policies touching agricultural credits are no different than those determining discount policies with respect to credit in other lines. Discount rates in such a period as this should be such as to permit of extension of credit for production purposes without inducing borrowing on the part of banks for profit and consequent speculative expenditure. The factor which limits the extension of adequate loans of necessary credit is the over-extension of banks in sections where demand is greatest."
2. In an editorial entitled "Federal Reserve System Versus Local Banks," Wallaces' Farmer for October 7 says: "Governor Harding, of the Federal Reserve Board, is evidently getting tired of being continually criticized. It seems that many local banks, in talking to farmer customers have blamed the Federal Reserve for high rates and short credit. This may have been true at one time, but Governor Harding says it is not true now. He especially criticizes Nebraska banks, stating that out of 111 notes recently discounted by the Federal Reserve for Nebraska banks at 6 per cent, 52 loans were reloaned by the Nebraska member banks at 10 per cent, 21 at 9 per cent, 16 at 8 per cent, and 13 at 7½ per cent. ... During the past eighteen months we have felt that the Federal Reserve policy was largely responsible for high interest rates and lack of funds. ... But now that the Federal Reserve System has reversed its policy it is certainly the obligation of the local bank member of the Federal Reserve to see that the borrower receives the benefit."





3. In a second editorial on the operation of the Federal Reserve System, Wallaces' Farmer for October 7, in reviewing some country bank experiences with the Federal Reserve Board says: "The Federal Reserve Board is constantly proclaiming its devotion to the farming interests of the United States. As a matter of fact, however, its policy is such as to make it difficult for the country farmer to borrow money for his farmer customers. An Iowa banker writes us that several months ago the Federal Reserve Board 'clamped down on the rules so as practically to eliminate real estate values as a basis for credit.' ... It would seem that the appetite of the Federal Reserve System for extremely liquid assets is growing keener right along. ... The Federal Reserve System is evidently primarily a city man's institution. Less than 10 per cent of its rediscounts represent accommodations to farmers, in spite of the fact that farmers represent one-third of the population of the country. Neither the bankers who made the law under which the Federal Reserve System operates nor the bankers who interpret this law were seriously thinking about serving the interests of agriculture. The Federal Reserve System ... is the best system we have ever had and can be made to be of tremendous service to agriculture. To this end it will be necessary either to modify the law under which the system operates or to remove a large number of Federal Reserve officials who are now interpreting the law. ..."

Cooperative  
Marketing Bill  
Criticized

Who is Who in the Grain Trade for October 5 devotes an editorial to "The Associations Bill," in which it says: "The Judiciary Committee of the Senate, realizing the dangers inherent in such a bill, properly killed it by amendment. Now Senator Kenyon and his 'bloc' plan to fight it out on the floor of the Senate and restore, if possible, the original bill as it passed the House. If the Senate passes this bill, which is one of the most vicious pieces of class legislation ever presented to it in the whole history of the country, then indeed is the future of this country endangered. The bills to regulate the exchanges and the packers and the many other measures passed at the dictation of the 'bloc' are quite innocuous in comparison with this cooperative marketing bill, whose sole aim is to obtain from Congress privileges for the farmers that are denied to any other class of citizens."

Foreign Trade

1. The methods by which the United States can develop her foreign trade and at the same time maintain a protective tariff were outlined before the convention of the American Bankers Association at Los Angeles, Oct. 6, by Henry M. Robinson, former commissioner of the Shipping Board and now president of the First National Bank of Los Angeles and Los Angeles Trust and Savings Bank, through his discussion of the trade zone bill which Senator Jones of Washington now has before Congress. Mr. Robinson pointed out the apparent inconsistency of attempting to develop both a protective tariff and foreign trade at one and the same time, stating that it is only through the establishing of a free port and free zone policy that the foreign trader and the protectionist can meet on common ground and the end to which both are working can be accomplished. (Jour. of Commerce, Oct. 7.)





2. The Ter Meulen bond plan for trade rehabilitation in Europe was indorsed at the closing session of the American Bankers Convention at Los Angeles October 7. (N.Y. Commercial, Oct. 8.)
3. The Washington Post for October 9 says in an editorial on "The Ter Meulen Bond Plan": "Designed for the relief of war-stricken nations, this plan appears to have five outstanding features in its favor, but if it would accomplish only the first claim made for it, namely, that it will restore normal overseas trading, it would prove to be one of the greatest commercial blessings devised by the wit of man."

#### Fur Trade

"A careful survey of conditions in the fur trade indicates that this great industry of luxury, which for months has been suffering from deflation in values growing out of the general business depression, now is slowly but surely recovering. ... A most important development is the elimination of most of the small fur jobbers who were caught in the price slump of last year. With these weak spots out of the market, the American fur trade to-day stands on a more solid basis than it did sixteen months ago, when speculation was rife and prices were at the peak. ... Indications are that a more normal business will be transacted this fall and winter, with prices fairly maintained at present levels; approximately 50 per cent below the high point of the 1919-1920 season. Present trade, on the whole, is larger in volume." (Standard Daily Trade Service, Oct. 8.)

#### Grain Trading

Referring to the fact that the cooperative marketing plans of the U. S. Grain Growers, Inc., have been held in abeyance until the annual meeting next March, Who is Who in the Grain Trade for October 5 says: "... They have thought, and the result is a postponement of their 'plans'. They have decided to permit the 'economic leeches' to exist a little while longer. Maybe they will put them out of business next year. Anyhow they won't do anything right away, for which the said leeches are duly grateful. A respite, however brief, is better than instant annihilation."

#### Production and Brains

An editorial entitled "No Brains" in Wallaces' Farmer for October 7 says: "Organized society, although composed of millions of highly intelligent people, has no brains. ... Never has this inability of organized society to reason been so strikingly illustrated as during the past six months. In practically all of the surplus food-producing sections of the world the farmers have been selling their grain and their cotton for about one-half the cost of production. In other words, organized society has been yelling at the farmers loudly, yet incoherently, such mixed advice as 'Quit producing; there is such a huge surplus that we can't pay you cost of production. Produce more; the nations are starving.' It is a case of no brains; but out of it all the farmers of the great food-producing sections of the world grasp the one outstanding fact, which is that they are unable to sell their products at anywhere near cost of production. This one outstanding fact is literally compelling millions of farmers to cut down their operations. ... Who is to blame for this lack of brains of organized society?"





## Prices on Farm Machinery

The Emerson-Brantingham Co. October 5 announced reductions of from 10 to 20 per cent in prices of its entire line of farm machinery, including tillage implements, harvesters, tractors and threshers, the larger reductions being on the tools most used by the farmers. (Chicago dispatch to Jour. of Commerce, Oct. 6.)

### Section 3.

#### MARKET QUOTATIONS.

## Farm Products

During the week ending Sat., Oct. 8: Wheat prices sagged to new low levels of season. Export sales slow; country offerings in Northwest liberal; heavy receipts at Winnipeg. For the week Chicago December wheat lost  $8\frac{1}{4}\phi$  closing at \$1.09  $1/8$ . Corn prices also sagged to new low marks, Chicago December closing at 47  $3/4\phi$ . Kansas City December wheat closed at \$1.00  $1/2$ . Chicago May wheat closed at \$1.14; May corn at 53  $1/2\phi$ .

Potato demand and movement moderate. Northern Round Whites advanced 25¢ in Chicago at \$2 to \$2.15. New York Round Whites advanced 25¢ in eastern markets; up 10¢ at shipping points at \$1.85. Oct. 1 estimate of potato crop 345,844,000 bushels compared with December 1920 estimate of 428,368,000 bushels.

New York Baldwin Apples A 2  $1/2$  up 50¢ at shipping points at \$6.50 per bbl; firm in New York and Philadelphia at \$6.75 to \$7. as compared with \$4 to \$5 a year ago. Oct. 1 estimate of commercial apple crop 19,766,000 bbls. compared with final estimate for 1920 crop of 37,239,000 bbls.

Chicago live stock prices generally higher, cattle leading the upward movement. Desirable corn-fed steers and yearlings advanced 50 to 75¢ per 100 lbs. Hogs advanced 35 to 75¢. Eastern wholesale fresh meat prices practically steady with those of a week ago.

Butter markets firm on account of shortage of fancy grades which were in heaviest demand. Some Canadian cheese imported at 2 to 3¢ below ruling prices on domestic markets. Cheese consumption increased in some Eastern cities following lower retail prices.

Hay trading light in all markets, with demand limited almost entirely to local needs. Wheat mill feeds very weak. Considerable distress bran offered in Chicago and Kansas City. Corn feeds also dull and some lower in several markets.

Spot cotton prices dropped 90 points, closing at 19.81 per lb. New York October future off 88 points at 19.60¢.

On Sat., Oct. 8, wheat prices reached a new low point but then rallied, Chicago December closing at \$1.09  $1/8$ . Corn prices followed wheat, Chicago December closing at 47  $3/4\phi$ . Wheat offerings in Northwest liberal. First new corn of season on market from Illinois, No. 2 red winter wheat in Chicago cash market \$1.15; No. 2 hard winter wheat \$1.10; No. 3 white oats 31¢. Potato prices generally steady in most markets; slightly weaker in Chicago. Eastern sacked Round Whites per 100 lbs. range \$1.80 to \$2.50 in Eastern markets. Northern sacked Round Whites, carloads per 100 lbs. \$2 to \$2.15 in Chicago. Chicago hog trade active, bulk of sales \$7.25 to \$8.60. Medium and good beef steers \$6.15 to \$10.40. (Prepared by Bur. of Mkts. & Crop Est.)





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 9.

Section 1.

October 11, 1921.

### Tax Revision Program

Majority members of the Senate Finance Committee, considering the tax bill, October 10 approved all the recommendations agreed upon during last week's conference, including repeal of all transportation taxes January 1 next and increase in the maximum surtaxes to 50 per cent instead of 32 per cent, as originally reported from the committee. (Press of Oct. 11.)

---

### Unemployment Situation

Recommendations for a general policy for the permanent relief of the country's unemployment problem and the return of commerce and business to normal were virtually completed October 10 by the subcommittees of the National Conference on Unemployment. Hearings on Government reclamation work as a means of aiding in the unemployment situation were held October 10 by the committee on public works. E. F. Blaine, representing the Western States Reclamation Association, declared that a reasonable appropriation by the Federal Government to carry on reclamation projects already approved would provide work for many thousands of men. He added that his experience had shown that only about 50 per cent of those out of work really wanted it. Ottamar Hamel, acting director U. S. Reclamation Service, told the committee that \$16,000,000 could be spent economically during the winter on irrigation projects, which would give employment to 16,000 men directly, and that if a loan to the reclamation fund was authorized by Congress an additional \$28,000,000 could be immediately expended on the Boulder canyon dam, California all-American canal and the Arizona, Parker and San Carlos projects. (Assoc. Press, Oct. 11.)

---

### Freight Rates

Railroad executives stand ready to recommend, voluntarily, freight rate decreases providing labor costs can be further reduced, it was stated in Chicago October 10, by Samuel O. Dunn, official representative of the American Association of Railroad Executives. Mr. Dunn stated that railroad presidents of more than 100 railroads will be at the conference to assemble at Chicago October 14 to consider rates and labor. The carriers are expected to go on record as favoring immediate freight reductions by the Interstate Commerce Commission - if the Railroad Labor Board will promise further deflation of railroad labor. (Press of Oct. 11.)

---





## Section 2.

Agricultural  
Bloc

"We are hearing a great deal about congressional and other groups or blocs dealing with legislative programs and policies. Just because a few senators and congressmen from the agricultural states have counseled together in order that farm people may not be made goats in projected legislation we are furnished all kinds of advice and suggestions about the evils of such conferences. But what about the paid lobbies in Washington? About the railroad group. ... About the coal group. ... About the packing house and grain dealers in Washington and Congress? About lobbies of the high protectionist groups of steel and oil, and of woolen and cotton goods? About scores of similar groups that have had lobbies in Washington for years, and at the same time have had their own hired men in Congress? ... Strange that just because farmers organize a little bit, and a few men in Congress try to interpret the needs and hopes and aspirations of farmers, there suddenly comes a demand that group activities shall cease. ... This clamor against agriculture is the wail of farm enemies, the whisper of special interests, the whine of selfish middlemen. ..."

(From editorial in American Agriculturist, Oct. 8.)

## Cotton

In its review of business and trade conditions, The Price-Current Grain Reporter for October 5 says: "Cotton is one of the chief sources of our national agricultural wealth, and if it should so transpire that the weevil has obtained the control of the size of the cotton crop, even for a few years, the country may not only lose the income from cotton exports, but may even find the supply for our own cotton mills placed in jeopardy. Indeed, the short cotton crop instead of being as superficially now estimated a source of wealth through scarcity, may ultimately prove a national disaster."

Federal  
Reserve  
System

"Most of the criticism of the Reserve System and of the member banks which has been current in the past year has come from persons who have a vague idea that the banks are the original source of credit. This is a misconception of the functions and services. The banks are reservoirs of credit, their function being to gather together the floating cash resources of the community, and to make these resources more available and effective. ... The banks are not entitled to be intrusted with any more power. They may properly lend what the community deposits with them and no more. ... When a carload of wheat or hogs is shipped out of a farming community it creates a bank deposit corresponding to the sum for which it is sold. When wheat sells for \$2.50 per bushel it creates a larger deposit than when it sells for \$1.25 per bushel, and when the former is the case the bank can lend a larger sum than when the latter is the case. Therein is the explanation of the tight money situation that has existed in the agricultural districts during the past year." (From October review of economic conditions, National City Bank, N.Y.)

Foreign  
Delegates  
to A.F.B.F.  
Convention

The organized farmers of Switzerland will send as their delegates to the Convention of the American Farm Bureau Federation at Atlanta, Ga., November 21-23, A. Bretscher, secretary of the Central Association of Swiss Milk Producers, and Frederic Rohner, director of the Central Association of Swiss Milk Producing Corporations. (A.F.B.F. Weekly News Letter, Oct. 6.)





Freight  
Rates

"The railroads show signs of division on the question of reductions. Western and southern lines seem inclined to the view that rates must be cut for the benefit of shippers in their parts of the country. Eastern lines, however, thus far have sturdily declined except in a few instances, to stand any part of the prospective losses resulting from the reductions that have been made on rates from one big district to another. The public officials who made the thinly veiled demand for reduced rates ignored the evidences of a division of sentiment among the railroad managers. They preferred to treat the carriers as a unit and insisted that there must be reductions if action by the two bodies that have the power is to be avoided."  
(Jour. of Commerce, Oct. 10.)

Grain Growers  
Center  
Authority

The Board of Directors of the U. S. Grain Growers, Inc., has empowered the president, secretary and treasurer to "negotiate and execute temporary contracts with representatives in the various markets, to arrange direct sales to mills, and to make use of all legitimate means to promote the sale of grain raised by members." Arrangements made with any agency to sell grain must be terminated within 30 days after the next annual meeting of the U. S. Grain Growers, Inc.  
(A.F.B.F. Weekly News Letter, Oct. 6.)

Live-Stock 1.  
Industry

The live-stock industry has shown a marked improvement during the past few weeks and is now on the upgrade, according to M. L. McClure, director of the Stock Growers' Finance Corporation, the \$49,000,000 banking pool organized to aid this industry. Up to date, the corporation has loaned \$14,500,000 and has promised \$2,500,000 additional. "The sheep industry," Mr. McClure said, "was extremely hard hit. Approximately 25 per cent of our total loans have been extended to sheep raisers. We have loans in every state west of the Mississippi River with the single exception of Washington. As yet the Stock Growers' Finance Corporation has noticed no shifting of its burden to the War-Finance Corporation." (Jour. of Commerce, Oct. 8.)

2. "The sixth meeting of the Farmers' Live Stock Marketing Committee of 15 was held in Chicago, Sept. 27-29. It was decided to hold the ratification meeting of the producers' representatives in Chicago on Nov. 10. The next meeting of the Committee of 15 will be held on Oct. 18." (A.F.B.F. Weekly News Letter, Oct. 6, which outlines the principles of the organization.)

## Prices

The current monthly review of credit and business conditions in the second Federal Reserve district (New York) presents a diagram showing Civil War and World War price changes, bringing into comparison the monthly fluctuations in the wholesale prices of fourteen important basic commodities. The upward movement of the prices of these commodities was almost identical until the year before the termination of hostilities. In the Civil War period prices began to drop before peace had been signed in 1865; while in the more recent war period there was no decline until the actual signing of the armistice. The fourteen commodities, prices of which were used in making up the index, are wheat, corn, hogs, steers, sugar, hides, wool, pig iron, copper, lead, coal, petroleum, sulphuric acid and tobacco.





## Tariff

The "American Valuation Plan" of the Fordney tariff bill will make a revival of foreign trade impossible and the American public will have to pay the price for Government-protected monopolies in the necessities of life, according to an announcement October 9 by the National Council of American Importers and Traders. The council has inaugurated a nation-wide non-partisan campaign to educate the people against the plan. (N.Y. Times, Oct. 10.)

## Tax Bill

1. The Wall Street Journal for October 10 refers to current legislation as follows: "Compromise is justifiable when desirable ends can be achieved in no other way and no principle is sacrificed. The House and Senate revenue bills were examples of compromise that accomplished at least an instalment of tax amelioration. The pusillanimous surrender of Republican leaders is in no sense a compromise. It is a cowardly retreat before a gang of demagogues, euphemistically called an agricultural bloc."
2. Referring to the same subject, The Commercial and Financial Chronicle for October 8 says: "We have to face the fact that 'the people' have grown to love taxation, and this is because they have gathered ... a wrong idea of three things: the sources from which taxes are drawn, the economic effects which excessive taxes produce, and the possible benefits to be popularly shared by the redisbursing of tax funds. These three may be stated more concisely as one; the pestilential delusion that the rich pay the taxes, whereas they both pay them and collect them, mainly the latter. The common man is rather pleased than otherwise by the income tax, which he thinks flies too high to reach his humble abode ... and so the more is seized from the 'plutocrats' the more will come the way of the people, especially of 'labor'. No more false and mischievous conception could be caught up. Do not taxes get into rents and into every other commodity necessary to existence? When surtaxes wrest millions from the rich there are two inevitable consequences: much of that money is wasted. ... also (and equally bad) the money is diverted from productive operations that might otherwise be undertaken. Is it not as clear as primary arithmetic that what our wealthy men and corporations must give up in drastic taxes cannot be put into industrial and trading development."

## Ter Meulen Plan

Referring to the resolution passed by the American Bankers Association, in recent convention at Los Angeles, approving the Ter Meulen bond scheme for the restoration of oversea trading with war-torn nations, New York Commercial for October 10 thus briefly explains the plan: "In a word, the Ter Meulen plan provides for the mobilization of the credit resources of the borrowing countries, against which bonds are to be issued to serve as collateral for the lending countries."

## Transportation

The American Farm Bureau Federation has filed a complaint before the Interstate Commerce Commission on the subject of minimum weights in the shipment of hogs throughout the United States. It asks that such minimum be fixed at 15,000 pounds during the summer months, and at 17,000 pounds during the remainder of the year. (A.F.B.F. Weekly News Letter, Oct. 6.)





## Section 3.

Department of  
Agriculture

The Price Current-Grain Reporter for October 5, in a lengthy and detailed criticism of an article by former Secretary Meredith, says in an editorial entitled "Business and Agriculture": "There is not any wonder that farmers are all muddled in their economic thinking in these days, seeing that nearly all the men recognized by them as friends and accepted as teachers seem the worst muddled men in the community. Not to revert to the present administration of the Department of Agriculture, which seems to have lost all sense of proportion of the relations of the farms to the rest of the community, and thinks only on the narrowest lines of 'agriculture,' there is the late Secretary E. T. Meredith, who has returned to his former occupation of publisher - an agricultural teacher. He has in the October number of the North American Review an article with the above caption, which is certainly a model of aberrant discourse. Like the present Secretary of Agriculture, Mr. Meredith is quite certain that the people do not understand that 'Agriculture is fundamental' - are too busy even to give that platitude a thought; and therefore all other business must be shuttlecock as the putative interests of the farm suggest or muddled agricultural teachers conceive. ... Mr. Meredith would not reduce production to get high prices through scarcity ... 'We must have a balanced production.' There is only one way out, then: to stabilize wheat prices by having the Government buy the surplus. ... It is contemptible enough as an American citizen to single out any one class to receive the largess of Government; it is even worse to select from this small class a smaller class to enjoy the graft."

## Section 4.

## MARKET QUOTATIONS.

Farm Products

Oct. 10: Wheat prices unsettled most of session but rallied toward last and closed higher. Visible wheat supply 54,903,000 bushels, including wheat stocks at St. Joseph, Mo. Corn strong at opening but declined later. Heavy receipts and scarcity of storage space important factors. Visible supply corn 14,886,000 bushels. Chicago December wheat closed at \$1.18 1/8; December corn 46 1/2¢. Chicago hog market advanced 25 to 35¢, bulk of sales \$7.50 to \$8.85. Yearlings and best light and medium weight steers steady; other corn-fed steers slow to 25¢ lower. Stockers and feeders steady to 25¢ lower. Fat western lambs and feeding lambs strong to 25¢ higher. Medium and good beef steers \$6. to \$10.40; fat lambs \$7.75 to \$9.25. Potato prices in New York and Chicago markets slightly stronger. Northern Round Whites steady at shipping points at \$1.90 to \$2 per 100 lbs. sacked. New York Round Whites up 15¢ at shipping points at \$2.02. New York Baldwin Apples A 1/2 firm at shipping points at \$6.50 per bbl. Danish type cabbage \$30 bulk per ton f.o.b. Spot cotton lower at 19.51¢ per lb. New York October future also lower at 19.25. Hay receipts light at principal markets. Feed market sluggish; demand and movement light. Stocks large, especially of wheat feeds. Butter markets firm. Movement of all grades better. Low quality lots selling at 8 to 9¢ under fancy butter. Demand for storage increasing. Cheese markets steady to firm. Canadian cheese still being offered at prices relatively lower than domestic make. (Prepared by Bur. of Mkts. & Crop Est.)





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 10.

Section 1.

October 12, 1921.

### Tax Legislation

Without a dissenting vote, the Senate October 11 adopted an amendment to the tax bill which repeals all taxes on transportation on January 1. Action on the transportation tax repeal was about all the progress made on the bill during the day. (Press of Oct. 12.)

### Tariff Legislation

The House Ways and Means Committee October 11 reported favorably a bill extending the life of the Emergency Tariff Bill until February 1 next. Otherwise the bill would expire on November 27. (Press of Oct. 12.)

### Farm Loans Approved

Approval of agricultural loans amounting to \$1,782,000 was announced October 11 by the War Finance Corporation. The sum was apportioned as follows: To a cooperative association of fruit growers in California, \$1,250,000; to South Carolina banks for financing cotton loans, \$400,000; to a bank in Indiana on agricultural loans, \$30,000, and to two banks in Kansas on livestock loans, \$102,000. (W.F.C. press statement.)

### Unemployment Report

A summary of the more important economic problems facing the country "that require constructive and immediate settlement" if recovery in business and permanent employment are to be accomplished expeditiously was agreed upon unanimously yesterday by the National Conference on Unemployment. A general resolution adopted declared for: "Readjustment of railway rates to a fairer basis of the relative value of commodities, with special consideration of the rates upon primary commodities, at the same time safeguarding the financial stability of the railways. Speedy completion of the tax bill ... Definite settlement of tariff legislation ... Settlement of the financial relationships between the government and the railways ... Limitation of world armament ... Steps looking to the minimizing of fluctuations in exchange ... Definite programs of action that will lead to elimination of waste and more regular employment in seasonable and intermittent industries ... " "It will be observed," the resolution said in commenting upon appended tables showing relative price and wage levels, "that agriculture has reached an unduly low plane, while transportation, coal and some branches of the construction industries are of the highest. It will also be observed that there is an entire disproportion between the price of the primary commodities and the ultimate retail price. The disproportionate increases in the progressive stages of distribution are due to increased costs of transportation, enlarged profits, interest, taxes, labor and other charges. If the buying power of the different elements of the community is to be





restored, then these levels must reach nearer a relative plane. For example, the farmer can not resume his full consuming power and thus give increased employment to the other industries until either his prices increase, or until more of the other products and service come into fair balance with his commodities, and therefore the reach of his income." (Assoc. Press, Oct. 12.)

### Unemployment

Secretary Hoover, in asking for nation-wide cooperation in putting into effect the emergency program adopted, expressed the belief that the country would go through the winter without acute suffering. Reports received from several cities, Secretary Hoover said, were that not more than from 10 to 20 per cent of the total unemployment came within the classification of "necessities," where emergency measures were imperative. Taking the high estimate of unemployment, this would make it necessary to provide for not more than 1,000,000 workers. (Press of Oct. 12.)

## Section 2.

### Agricultural Bloc

In an extended statement in The Annalist for October 10, under the title, "What the 'Agricultural Bloc' Has Done," Rodney Bean says: "Business interests of the nation may well take into calculation the new turn which affairs in the Senate have shown, and adjust their 'observation towers' in Washington to an understanding of the era brought about. As yet there is nothing ultra-radical about the movement, but it is distinctly against the acceptance of a stand-pat Administration program, and the plain facts up to this time supply the proof that more than one monkey wrench has been thrown into the machinery which many predicted would move smoothly enough when the administration went into power."

### Agriculture

E. T. Meredith, ex-Secretary of Agriculture, says in an article entitled "Business and Agriculture" in The North American Review for October: "I am asked 'What is the matter with business as viewed from an agricultural standpoint?' My answer is, 'A lack of orders, due to the reduced purchasing power of the farmer.' It is commonplace in this country to say that agriculture is fundamental. Everyone seems to recognize it. Yet few seem to feel, as indicated by the lack of active interest, that it is of importance that no serious harm come to agriculture, that prices of farm products be stabilized, and that every reasonable facility be furnished to agriculture. The farmers of the nation prepared the ground, sowed the seed and harvested the crop of 1920, under conditions calling for high-priced labor, high-priced equipment, expensive facilities. In fact, all expenses were comparable with those of the previous year. Yet they were obliged to take for this crop, which was a larger crop than that of the year previous, some five billions of dollars less. The business man, whether he be manufacturer, banker, insurance man, railroad man or what not, may be so busy with his own affairs, both business and social, that he gives but passing thought to this situation, and sweeps it aside with the statement that 'the law of supply and demand is inexorable.' He devotes many hours to borrowing money, to worrying about reducing expenses, in many cases goes through the hands of a receiver to straighten out his affairs, while all this might have been largely avoided had he devoted sufficient time in the interest of agriculture to prevent the hardships that have come to that calling. ..."





Freight  
Rates

The Interstate Commerce Commission suspended until February 7 the proposed decrease of nearly 5 cents a hundred pounds on grain and grain products from Minneapolis, St. Paul and Minnesota Transfer to Gladstone, Mich., for lake shipment East. (Press of Oct. 12.)

Fruit  
Marketing

The Farmers' Fruit Marketing Committee will hold its first meeting at Atlanta, Ga., Nov. 19. (A.F.B.F. Weekly News Letter, Oct. 6.)

Grain  
Marketing

Never in the history of the cooperative grain marketing movement have prospects for success been so bright as at present, according to directors of the U. S. Grain Growers, who held their second regular quarterly meeting at the national headquarters in Chicago last week. Directors decided that the first effort of the organization during the next six months should be along the line of increasing the membership. While very satisfactory progress has been made in many states and grower contracts are coming in at the rate of 299 a day, it was obvious to those having the organization in charge, that this could and should be greatly increased by extending organization work into states where little progress has been made. This is especially true of Iowa, Ohio and Minnesota. Two outstanding reasons for optimism on the part of the directors was the statement that more than 30,000,000 bushels of grain are now under contract and that membership has been constantly increasing for the last 30 days. (Press Statement, U.S.G.G., Inc., Oct. 10.)

Jute Crop  
in India

In a review entitled "The Failure of the Jute Crop in India," The Economic World for October 8 says: "A situation not unlike that for American cotton has developed in respect of India's jute crop for 1921 and the resulting supply of jute for the world's industry. From the beginning of the season the estimates of the acreage and probable production issued by the Government of India have pointed to a very great decrease in this year's yield, and as the season has progressed the official estimates have become steadily less favorable. ... The prospect of this unprecedented decline in jute production 1921 has raised the question of the possibility of a positive jute famine before another crop can be grown."

Purchasing  
Power

"When will farm products regain their former power in exchange? According to the Department of Research of the American Farm Bureau Federation, it is impossible to predict 'when,' but it is possible to point out signs which are as dependable as any signs can be. Why does the purchasing power of any product decline? Primarily because of the relative over-production of that product." (From an extensive analysis in A.F.B.F. Weekly News Letter, Oct. 6.)

Rural  
Development

Sir Horace Plunkett, in an article entitled "Rural Regeneration" in The North American Review for October, reviews the rural development of Great Britain in general and Ireland in particular within the past twenty years. In this he says: "If the Irish story means anything, it is that the chief need of agriculture as a business is organization upon the cooperative and not upon the joint-stock or corporation plan which is suitable to all other business combinations. But by far the most important part of the rural problem is that which treats of agriculture as a life. Where three things are necessary it is absurd to





discuss their relative importance; but both better farming and better business are in the minds of the best of my fellow workers chiefly interesting as means to better living. Agriculture as an industry and as a business will not, in our view, survive the conflict between the various social orders unless and until a solution of the rural problem has been generally accepted which clearly envisages a rural community, every member of which can be satisfied that remaining on the land does not imply being in a backwater of modern progress. ... The rural community must be organized for business purposes, and the business association must be used for the higher purposes of social and intellectual advancement. ... If I have one criticism to offer of the splendid work being done by agricultural institutions, it is that they have not sufficiently emphasized the importance of better business (which means chiefly cooperative organization) as a means to the end of better living as well as of better farming."

Taxes and  
Unemployment

Senator Edge said before the Pennsylvania Chamber of Commerce at Harrisburg, October 11, that the effort to make the so-called rich of the country bear practically all of the country's taxation burden was chiefly responsible for the present state of unemployment. (Press of Oct. 12.)

Unemployment  
Conference  
Criticism

In a review of results of the National Conference on Unemployment, The Economic World for October 8 says: "The general 'emergency program' adopted by the conference in reality contains but two recommendations or suggestions, neither one of which is of very convincing character in view of the magnitude of the problem. The first of these has to do with the creation of machinery for dealing with industrial unemployment as a local phenomenon.... The second general recommendation of the 'emergency program' of the conference ... contemplates the use of the construction industry in one or another form as the principal specific recourse for the alleviation of industrial unemployment. ... While it may be admitted that from the standpoint of the necessities of a great emergency there are elements of value in all the recommendations recited above ... an unavoidable criticism upon the program as a whole is that it contains not the faintest suggestion of recognition of the fundamental economic principle which must be accepted and conformed to by the industrial producers and workers in society as a class before any general restoration of industrial unemployment is possible. That principle is one long familiar ... namely, that costs and prices of industrial production must be brought to a parity, a just equilibrium, with the costs and prices of agricultural production and of all the non-industrial forms of production and service, if there is to be full and free flow of industrial products to the great consuming classes in society other than the industrial producers themselves. ... "

Wheat Prices

"The attempt to stimulate wheat prices by local action cannot succeed. It may be all well enough to place restrictions upon the grain exchanges, to form cooperative organizations, to place duties on wheat imports and to resort to other devices, but the fact remains that wheat is a world product and the price is a world price. It is a surplus crop and the marketing of that surplus in competition with the surpluses of other wheat-producing countries in accordance with world demand is what fixes the price." (N.Y. Commercial, Oct. 6.)





Section 3.

Department of  
Agriculture

In an extensive article entitled "Game Laws and the Public Mind," in The North American Review for October, Louis Agassiz Fuertes says: "Many men now living have witnessed the extermination of some fifty species of North American animals and birds, and all will surely see the extermination of several more which are now hanging by the merest thread of paternal protection, but circumscribed by changed and changing conditions which will ultimately, if not presently, cause them to fade from the face of the earth. ... The Bureau of Biological Survey at Washington, eminently fitted for the task by virtue of its years of amassing detailed information as to the migrations, breeding habits, food and general economy of every species of American animal, was given the labor and responsibility of zoning the entire country and grouping states with respect to open seasons on all species of migratory game, and an opportunity of suggesting model laws for these groups of states, which should do away in large measure with the old border irregularities arising from the operation of variously different laws on the two sides of state (or even county!) lines. This, now happily accomplished, plus the elimination of migratory spring shooting and sale of game all over the United States, has already worked a marvelous benefaction upon most of the migratory species."

Section 4.

MARKET QUOTATIONS

Farm Products

Oct. 11: Grain prices advanced as a result of general buying induced in part by strength in Northwest markets. Country offerings southwest light; offerings from Northwest and Canada fairly liberal. Corn advanced with wheat. Chicago December wheat closed at \$1.15 1/8; December corn 48 3/4¢. Chicago hog market opened steady but closed 15 to 25¢ lower, bulk of sales \$7.35 to \$8.80. Best light and medium weight steers steady; medium and good beef steers \$6 to \$10.40. Butcher cows and heifers steady at \$3.50 to \$9.50. Fat sheep and lambs strong to 25¢ higher, fat lambs \$8 to \$9.50. Feeding lambs firm at \$6.75 to \$7.75. Potato demand and movement slow to moderate. Markets generally steady. Round whites up 10 to 15¢ at New York shipping points at \$2.10 to \$2.15. Northern Round Whites firm at shipping points at \$1.85 to \$2 per 100 lbs. sacked. New York Baldwin Apples A 2 1/2 steady at shipping points at \$6.50 per bbl. Spot cotton prices down 2 points at 19.46¢ per lb. New York October future advanced 8 points at 19.33¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and  
Railroads

Oct. 11: Average closing price 20 industrials 71.06; average closing price 20 railroad stocks, 73.10. (Wall St. Jour., Oct. 12.)





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 11.

Section 1.

October 13, 1921.

### Agriculture

Secretary Wallace, in an address yesterday before the National Implement and Vehicle Association convention at Chicago, is quoted as saying that the implement and vehicle industry has enabled the American farmer to increase his production from three to five times over that of farmers of the Old World. He said also: "Either farm prices must come up or other prices, including transportation charges and wages, must come down. Prosperity can not be restored by legislative enactment or administrative dictum." (Press of Oct. 13.)

### Legislative Action Urged

Senator Ashurst October 12 urged prompt action on the tax and tariff bills in the interest of business revival and warned the Senate of danger that will follow if the interests of the farmers of the country are not considered. (Press of Oct. 13.)

### Unemployment Conference

Secretary Hoover, chairman of the National Conference on Unemployment, said at the last session of the conference, October 12, that gratifying responses have been received to the appeal of President Harding and the conference for making effective its recommendations for the relief of the unemployment emergency. The railroads, he declared, have added about 25,000 men to their rolls, and public utilities in many sections of the country are preparing to increase employment. (Assoc. Press, Oct. 13.)

### Unemployment Conference Report

In commenting upon the report of the National Conference on Unemployment presented October 11, The Philadelphia Public Ledger says in an editorial to-day: "The 'buck' has been passed to Congress, where it belongs, and Congress is asked, urged, warned - to get busy. The conference worked no miracles in its emergency measures. These were the charted outlines of a course that is bringing a great many men back to temporary jobs. There were many clear and practical brains in the conference. These brains have surveyed the extent of the trouble, have told the Nation what emergency measures should be used and have laid down a course of treatment for the future. That is as far as the conference itself can go."

### Dawes Appoints Economy Boards

New economy moves made by Budget Director Dawes October 12 included the creation of two new boards - one of them to standardize specifications of materials bought by the Government and another board designed to prevent Government waste in expenditures for transportation.





A Federal traffic board will be named to readjust rate groups on traffic shipped by the Government and to effect a better method of routing shipments. Director Stratton, of the Bureau of Standards, will become ex officio chairman of the newly created Federal specifications board. This board will supplant the former interdepartmental standardization committee. (Press of Oct. 13.)

---

Section 2.

Agricultural  
Bloc

In an editorial entitled "The Blocs," The Philadelphia Public Ledger to-day says: "The hoofmarks of the 'farm bloc' decorate many sectors of the Administration profile. The embattled farmers from the Corn Belt and the Cow Country have mutilated the Harding program and made the Administration eat much dirt on the tax, tariff, railway and other pet White House measures. What the 'farm bloc' hasn't taken care of in the matter of sticking crowbars through Administration wheels and tossing pipe wrenches into the machinery the 'labor bloc' has been glad to look after."

Agricultural  
Conditions

In its Monthly Business Review for October, Federal Reserve Bank of Cleveland states that up to the present time the country banks in the fourth Federal Reserve district have benefited but little from the sale of this year's crops. Some farmers are requesting additional loans for the purpose of purchasing cattle to fatten on the fall crop.

Business  
Conditions

In its review of business conditions, Commerce and Finance for October 12 says: "Of the unemployment conference at Washington it is said that it 'has ended where it began.' It has discovered that unemployment is a local problem and has recommended that it be dealt with accordingly. Of the disarmament conference to be held next month much is expected. Our expectations will probably be disappointed, for no preliminary meeting of minds between the conferees is discoverable. Of the United States Congress now in session much the same statement is true. ... It is, therefore, just as well that we should abandon any hope of governmental relief and have recourse to the old remedies of working and saving for the trouble by which we are, or think we are, afflicted."

California  
Canners and  
Packers

"The Canners' League of California will probably loom rather large in the hearing at Washington October 15 on the proposal to modify the Packers' 'consent decree.' Not only did it send on September 15 a protest to Attorney General Daugherty against the claims and representations of Vernon Campbell that the canners of California needed the packers desperately as the only means for marketing their pack, but it has now issued a statement in which it sets forth even more clearly its opposition and what the situation is at that end." (Jour. of Commerce, Oct. 11, which presents the text of the protest.)

Cotton

According to figures compiled by Arno S. Pearse, general secretary of the International Federation of Master Cotton Spinners and Manufacturers' Associations, world consumption of American cotton for the half year ended July 31, 1921, totaled 4,500,942 bales. On August 1, 1921, stocks of American cotton in the leading countries of the world were as follows: United States, 1,026,000 bales; Great Britain,





204,533; France, 55,734; Germany, 120,076; Italy, 125,470; Japan, 209,001. At the average rate of consumption for the half year ending July 31 last, the countries mentioned had stocks of American cotton on hand that date sufficient to operate their spindles for slightly more than two and one-half months. (Commerce and Finance, Oct. 12, which gives further details.)

#### Farm Profits Factors

The Michigan Business Farmer for October 8 says in an editorial on "Factors of Farm Profits": "If the average farmer were asked at the present time for his opinion as to the relative importance of the factors which determine farm profits his composite reply would more than likely dismiss the subject in the slang vernacular of the day by the declaration that 'There ain't no such animal.' Yet the history of the industry in this country and many examples in every agricultural community will serve to show the possibility of profitable farming where the factors which contribute to farm profits are properly evaluated and made effective through good management. In recent years the importance of better marketing methods has been stressed to such an extent that many farmers have come to look upon this as the most important factor in the determination of farm products. But while there is no doubt that the economic distribution of farm products is an important factor in the determination of farm profits in the aggregate, there is just as little doubt that from the standpoint of the individual farmer this is a minor factor in determining the profits from his farm as compared with the factor of good farm management. ... The best conception of good farm management means economic production sustained over a period of years. ... The fact that no possible saving in marketing methods can make up for the wastes of uneconomic production cannot be successfully questioned."

#### Financing Cotton

Increased exports of cotton have doubled the business of the New Orleans Edge Bank, the Federal International Banking Company, in the last two weeks. From acceptances totaling \$2,200,000 in September, acceptances have mounted to \$4,208,000. Applications for \$3,000,000 more have been approved. These acceptances are virtually all on export cotton. Galveston, Memphis and New Orleans are sections making the most active use of Edge Bank resources in this respect. Loans are on a basis of \$75 to \$100 a bale. (Press of Oct. 12.)

#### Grain Marketing

"Delayed Action in Grain Marketing" is the title of an editorial in The Farmer (St. Paul) for October 8, which says: "Conference after conference has been held on this question of grain marketing. The great obstacle in drawing up final plans in the Northwest lies in the fact that the U. S. Grain Growers, the Equity Cooperative Exchange and the Minnesota Farm Bureau Federation have not been able to reconcile their differences. As a result of this inability to get together even under a temporary arrangement, it is impossible to proceed on any joint marketing plan, which may mean an attempt to launch two separate marketing plans. Splitting the farm forces at this time into two factions can only be considered as a disaster. Incidentally, in the opinion of The Farmer, it would be a foolish disaster because it can and should be prevented."

#### Grain Price

Referring to a bill recently introduced into Congress which would put a minimum of \$1.50 a bushel as the price of wheat on American markets, Western Grain Journal for October 6 says: "So far as the





terminal grain dealer and the country dealer is concerned, it would be well if a minimum price prevailed on wheat. It would be safer to engage in the grain business. But the grain dealer is not going to turn his hand in favor of the enactment of such a bill. The grain dealer would be as practical in urging such a law as to support a bill to provide for a given amount of rain for each grain-growing community in the Southwest. If the Oklahoma Congressman who professes a desire to help farmers obtain more for their wheat understood anything about the grain business, he would propose a world conference to establish a minimum price. America cannot put a minimum on anything it possesses that is so surely a world product as is the bread grain."

## Labor

With 15,000 votes tabulated, 85 per cent of the packing house workers who voted October 8 on the question of authorizing the executive committee of the Amalgamated Meat Cutters and Butcher Workmen of North America to call a strike if they deem it necessary, are in favor of a walkout. (Assoc. Press, Oct. 13.)

## Prune Prices

Prunes for which the California producer receives six and seven cents a pound have retailed in Chicago at 40 and 45 cents, according to John Richert, heading a delegation of Chicago alderman visiting California to investigate the cost of food staples. (San Francisco dispatch to press of Oct. 12.)

Swiss Government  
Reduces  
Breadstuffs

The Swiss Government has decided to reduce the price of breadstuffs 10 per cent, according to the Journal of Commerce for October 11.

## Unemployment

The Secretary of Labor declared in an address at Elwood, Ind., October 12 that the unemployment problem had never before been attacked so vigorously and with so scientific organization. He said: "The prospect is that no one who needs and wants to work must go through the winter without means of livelihood. We are unmistakably on the move back to prosperity. Within a year or two I believe we are going to be the most prosperous people we have been in all our wonderful history." (Assoc. Press, Oct. 13.)

Unemployment  
Conference  
Criticism

"Over five million men out of work in the United States. At Washington an 'Unemployment Conference' is in session trying to find out what is the matter. This conference is made up as follows: Seven Government officials and ex-officials, 2 lumber dealers, 2 railroad officials, 8 manufacturers, 1 contractor, 3 coal operators, 6 union labor officials, 3 city officials, 3 women, 2 bankers, 1 army officer. There are no farmers at the conference, yet one good, hard-headed farmer might prescribe a better remedy than all the rest together. He could tell a story something like this: 'There is no unemployment on the farms. There need be none in the cities if industry and labor would follow the farmers' example. Farming is the only industry that has been running full speed. There have been idle factories but no idle acres. Farmers have gone on producing, and have taken what their produce would bring. .... In many industries organized labor has announced that it would rather not work at all than work at reduced wages. No unemployment conference can help men of that false way of





thinking. ... There is only one way to bring back national prosperity and to cure the evil of unemployment. That is for everyone to realize that prosperity can come only as a result of hard work, and that if we can not get what we want for our labor and our products we must take what we can get." (From editorial in The Prairie Farmer, Oct. 8.

## Wheat

In an editorial entitled "Sow More Wheat," The Wall Street Journal for October 11 says: "The world needs more wheat. The main obstacle is in the debased exchange of Europe. Great as our exports in the past three months have been, they would have been larger but for this influence. We cannot hold the world's gold and shut out the goods of the war-impooverished peoples and expect them to buy to the limit of their wants with their depreciated currency. But no matter how blind our policy, Europe must buy a certain amount of wheat in order to live and it must come to North America to secure the greater part of it. American wheat farmers are therefore secured in a good market for another year."

Wheat Situation  
Abroad

A London grain authority is thus quoted in Modern Miller for October 8: "From one cause or another English wheat is now being sold at a very low price, which must be considered below its intrinsic value. It seems a very great pity that our farmers are compelled to sell at such unremunerative figures. The result is not very promising for a big acreage of native wheat next year; and we can only conclude that financial pressure, coming at a time when the weather has been so favorable for threshing, has induced them to market a great part of their crop with the least possible delay. To some extent a similar process is going on throughout the greater part of Europe, and this must have the effect of reducing for a time the demand for imported wheat."

## Section 3.

## MARKET QUOTATIONS.

## Farm Products

Oct. 12: Grain markets closed on account Columbus Day holiday.

Chicago hog market opened lower and closed off 40¢, bulk of sales \$7.15 to \$8.60. Corn fed steers and yearlings mostly 25¢ higher, medium and good beef steers \$6 to \$10.65. Fat sheep and lambs strong; fat lambs \$8 to \$9.35. Feeding lambs lower at \$6.75 to \$7.75.

Potato demand and movement slow in most cities account holiday. Round Whites nearly steady at shipping points at \$1.85 to \$2.10. New York Baldwin Apples A 2 1/2 slightly weaker at shipping points at \$6.25 to \$6.50 per bbl. Danish cabbage steady at shipping points at \$30 per ton; Domestic type \$25.

Most eastern hay markets firm. Western markets depressed by heavy receipts. Active buying by stockyards in Chicago because of fire which destroyed 500 tons of timothy lifted prices about \$1 per ton, light two wire bales in best demand. Feed market easier. Considerable pressure to sell both mill shipment and stored wheatfeeds because of rapid accumulation of stocks.

Cotton markets closed. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and  
Railroads

No reports on account of Columbus Day holiday.





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 12.

Section 1.

October 14, 1921.

**Tariff Legislation** Plans to pass through the House next week a bill extending the emergency tariff law were made by Republican leaders October 13. Details of the emergency tariff extension have not been worked out, but it is generally expected that the law will be extended until about February 1, in the expectation that by that date the permanent tariff bill can be completed. (Press, of Oct. 14.)

---

**Unemployment Conference Adjourned** Having agreed upon definite remedial policies for the emergency and permanent relief of the unemployed and the return of commerce and business to normal, the National Conference on Unemployment October 13 completed its labors and adjourned without date. To continue the work until the present emergency is passed, the organization committee was ordered to select a standing committee, to be named later, which will be authorized to reconvene at any time. (Assoc. Press, Oct. 14.)

---

**Rail Rates and Wages** A proposal to meet all future reductions in the wages of railroad employees with corresponding decreases in railroad freight rates, is to be presented to the Association of Railway Executives at its meeting at Chicago October 14, it was announced October 13. (Assoc. Press, Oct. 14.)

---

**Farm Loans Approved** Loans totaling \$315,000 were approved October 13 by the War Finance Corporation as follows: To a Wyoming bank for loans on live stock, \$215,000, and to a South Carolina bank for agricultural loans, \$100,000. (W. F. C. press statement, Oct. 13.)

---

**Live-Stock Loans** A number of important finance companies are being organized throughout the country to assist in the financing of the live-stock industry, with the cooperation of the War Finance Corporation, according to a statement issued October 13 by Eugene Meyer, Jr., managing director of the corporation. Mr. Meyer said: "During my recent trip to the West I had the opportunity of meeting with representative bankers and live-stock men in many States and it was clearly apparent that new finance companies are immediately needed in connection with the live-stock industry. Utah has responded to the need by forming a company, with a subscribed capital of \$500,000, to make live-stock loans in Utah and Idaho. Wyoming also has formed a loan company, with \$300,000 paid up capital, and is





already doing business. The War Finance Corporation loan of \$215,000 announced this week was made through this company. Western Nebraska bankers have organized a \$200,000 live-stock loan company."

### Section 2.

#### Canada's Soldier Land Projects

Canada has spent over \$84,000,000 in the establishment of returned soldiers on the land. This figure represents over 27,000 individual ex-service men who have benefited from the law which had for its twin aims soldier reestablishment and the development of the agricultural resources of the dominion. Under the law any ex-service man eligible from a military standpoint, having seen service overseas, may apply for loans up to a maximum of \$7,500. The most important advantage, however, is the supervision which the soldier settlement board gives to its settlers. (From Ottawa dispatch to Assoc. Press, Oct. 12.)

#### Cotton

"No shortage of American cotton during the coming year will result from the extraordinary reduction in the present crop, the New York National Bank of Commerce believes. The smallness of the crop has decidedly relieved the overloaded situation in the cotton market, it says in a survey of the situation, but the available supplies are ample to meet international requirements." (N.Y. Times, Oct. 14.)

#### Cotton Figures

Southern Ruralist for October 15 says in an editorial: "The spinning industry in our own country, while not running at top speed, is in a healthy condition with little or no stocks on hand. Buyers from this industry are now forced into the markets. The situation in the Far East has improved as is reflected in the spinning centers in England and as is further reflected through purchases of cotton in this country to fill Far East orders for cloth. All of this with a small supply should put the law of supply and demand vigorously to work. This time the workings of that law are on the side of the growers and they should profit by its application. We still have 'experts,' however, who are reluctant to give up the exaggerated figures employed in the spring to influence reduction in acreage. Neither have they had the fairness to admit their figures were wrong. It will be recalled that the Southern Ruralist stated that it had no figures that would justify any such conclusion as those so-called experts had reached. We have been unable to find any figures since that time that justify their statements. One of the foremost cotton buyers of the South recently said: 'Critical analysis of these estimates (referring to those used back in the spring) would have disclosed that they were rank guesses in the first place, and secondly, that the guesses were grossly inflated.' He says further: 'Those who were against the market (meaning speculators, buyers, and mill brokers) avidly accepted these figures and industriously exploited the same.' ... To those not familiar with all the facts, such figures as these purporting to show millions of bales of cotton more than actually exist have the effect of loosening the grip of the farmer and turning his product over to those agencies that lie beyond him and who would now turn his reduction in acreage and the favorable situation created by the same to their own account. But whatever the motive, there is no excuse for inflated figures at any time. The truth is what we should seek out and stand for, and above all what the farmers need."

1. The first part of the document is a list of names and addresses of the members of the committee. The names are listed in alphabetical order, and the addresses are given in full. The list is as follows:

2. The second part of the document is a list of the names and addresses of the members of the committee who have been elected to the office of Secretary. The names are listed in alphabetical order, and the addresses are given in full. The list is as follows:

3. The third part of the document is a list of the names and addresses of the members of the committee who have been elected to the office of Treasurer. The names are listed in alphabetical order, and the addresses are given in full. The list is as follows:

4. The fourth part of the document is a list of the names and addresses of the members of the committee who have been elected to the office of Chairman. The names are listed in alphabetical order, and the addresses are given in full. The list is as follows:

5. The fifth part of the document is a list of the names and addresses of the members of the committee who have been elected to the office of Vice-Chairman. The names are listed in alphabetical order, and the addresses are given in full. The list is as follows:

6. The sixth part of the document is a list of the names and addresses of the members of the committee who have been elected to the office of Secretary. The names are listed in alphabetical order, and the addresses are given in full. The list is as follows:



Cotton Loss  
Legislation

"An appropriation bill carrying \$183,432 for compensation of Cameron parish farmers who suffered loss of their cotton crop through the pink boll worm quarantine has been introduced in the State House of Representatives at Baton Rouge." (N.O. dispatch to N.Y. Daily News Record, Oct. 13.)

Cotton Men  
to Meet in  
Washington

A meeting of the board of governors of the American Cotton Manufacturers' Association, at which it was decided to hold the next convention of the association in Washington on May 23 and 24, featured the close of the first biennial textile products show at Greenville, S.C. (N.Y. Daily News Record, Oct. 13.)

Cotton  
Statistics

The Bureau of the Census reports that: "The world's production of commercial cotton, exclusive of linters, grown in 1920, as compiled from published reports, documents, and correspondence, was approximately 18,810,000 bales of 500 pounds net, while the consumption of cotton (exclusive of linters in the United States) for the year ending July 31, 1921, was approximately 15,520,000 bales of 500 pounds net. The total number of producing cotton spindles both active and idle is about 155,000,000." (Survey of Current Business as of Sept. 1.)

## Cranberries

"With one of the shortest crops in years in prospect, Cape Cod cranberry growers are expecting to realize high prices for their product. The entire Cape crop is estimated at 175,000 barrels. In view of shortages elsewhere the price, which has already advanced from \$10.50 to \$12 a barrel, will go as high as \$15 and \$18, it is predicted." (Journal of Commerce, Oct. 13.)

## Forestation

A comprehensive policy on the part of the state and nation in reforestation, forest protection and utilization of forests is urged by the New York State College of Forestry in order to meet the timber shortage when the present virgin forests are exhausted. (Jour. of Commerce, Oct. 13.)

Freight  
Rates

Rates on canned condensed milk, in carloads, from Stoughton, Wis., to points in central, trunk line, Atlantic seaboard and Virginia territories, shipped by the Wisconsin Dairy Products Company, were found to have been unreasonable, in a tentative report by the Interstate Commerce Commission October 13. (Press of Oct. 14.)

Grain  
Traffic

"The outstanding feature of the North American grain traffic is the unprecedented volume of grain which has passed through the port of Montreal, owing to the existence of freight rates favorable to shipment through that port, according to the Royal Bank of Canada. The growth of the traffic in the last 20 years is shown by the following figures: The port's grain receipts in 1906 were 944,321 bushels; in 1911, 21,007,164 bushels; in 1916, 51,548,720 bushels, and up to September 11 this year the receipts reached 67,708,696 bushels." (N.Y. Times, Oct. 14.)

## Nitrate

The Alabama Farm Bureau Federation has closed a contract for nitrate of soda sufficient for the needs of all farm bureau members in the State, at a price of \$46 a ton f.o.b. port. (Commerce and Finance, Oct. 12.)





Poultry,  
Butter and  
Eggs Stan-  
dardization

A plea for standardization of grades and packs of butter, eggs and poultry was expressed in an address at Chicago October 10, at the opening session of the 15th annual convention of the National Poultry, Butter and Eggs Association, by P. F. Comdiths, of Chicago. He said: "I believe we should take the subject of standardization up at once and follow it to a quick conclusion. Unless we do, the Government will step in. We are bound to witness standardization of our products soon." (Jour. of Commerce, Oct. 13.)

Potash  
in Spain

The Spanish Minister of Public Works announced October 12 the discovery of an important potash deposit in Barcelona province, Spain. (Press of Oct. 13.)

Prices

"Wheat, corn and oats are almost the only important staples that have declined during the week. They have been conspicuously weak. Just why is not clear. A world's wheat crop 157,000,000 bushels in excess of last year and Canadian competition in the export trade are among the reasons assigned for the drop in the American markets, but neither is entirely satisfying. The collapse of the farmers' organization for the cooperative marketing of the crop is another of the explanations offered but as there is no doubt that the producers could hold if they wished to, the truth probably is that present prices yield them a small though unadmitted profit. A reduction in the purchasing power of the West is nevertheless to be expected as a result of the decline." (Commerce and Finance, Oct. 12.)

Rural  
Development

In an article entitled "Agriculture in New England," Commerce and Finance for October 12 says: "It may well be that in New England we shall see the first 'back to the farm movement' that many believe is so essential to an evenly balanced prosperity in the United States, for the country is so densely populated and the towns are so close together that it is practicable for the farm laborer to enjoy the advantages of urban life without neglecting his agricultural duties. This is the way the problem will be solved if it ever is solved."

Russian  
Trade Fails

British plans for trading with Russia have been defeated, it was declared by Sir Robert Stevenson Horne, chancellor of the exchequer, in an address at Glasgow, Scotland, October 12. He said that this was partly the result of the Russian famine, and could be attributed in some measure to the fact that Russian extremists had been "more anxious to spend their gold in propaganda than in buying goods." Sir Robert asserted he had tested the loyalty of some of his friends by concluding the trade agreement with the soviet. He added he was prepared to defend that agreement because he believed the world would never recover until Russia was again producing grain. "Nothing can be gained by sending goods to Russia," he went on, "for it is perfectly certain the Russians have nothing to exchange. Sending goods to Russia at present would mean making gifts of them. Great Britain is not in a position to make presents to anyone." (Press of Oct. 14.)

Tariff

Otto H. Kahn, David R. Forgan, Prof. Irving Fisher, and Prof. Herbert E. Mills, in statements made public October 13 by the National Council of American Importers and Traders, condemn American valuation plan and urge against its acceptance by Congress and the country on account of its evil effects upon our national prosperity. (Jour. of Commerce, Oct. 13.)





## Wool

1. Wool dealers report a more active demand, especially for finer grades, R. G. Dun and Co. reports in its local trade review ended October 11. Prices are becoming firmer and conditions generally are better. (Press of Oct. 14.)
2. "The wool trade regards the advices received from Washington to the effect that the House Ways and Means Committee has approved the bill extending the Emergency Tariff Act until February 1 as a further element of strength in the market, and prices may be expected to advance, if anything, on this information, especially on the medium wools." (Boston dispatch to Jour. of Commerce, Oct. 13.)

---

Section 3.

## MARKET QUOTATIONS

## Farm Products

Oct. 13: Wheat prices declined partly influenced by break in Northwest markets on the 12th and by drop in foreign exchange with German marks at new low. Chicago December wheat closed at \$1.12 5/8; Chicago December corn also lower at 46 3/4¢. Average price paid farmers in central Kansas for No. 2 hard winter wheat \$1.; average price to farmers in central North Dakota for No. 1 dark northern wheat \$1.14 1/2; average price to farmers in central Iowa for No. 2 mixed corn approximately 30¢. In Chicago cash market No. 2 red winter wheat closed at \$1.20; No. 2 hard winter wheat \$1.13; No. 2 mixed corn 45¢.

Chicago hog market opened active and closed 10 to 15¢ lower, bulk of sales \$7.10 to \$8.50. Beef steers generally 15 to 25¢ higher; butcher cows and heifers steady to 15¢ higher at \$3.75 to \$9.50. Fat lambs unevenly steady to 25¢ lower at \$7.75 to \$9.35.

Potato markets liberally supplied. Round whites No. 1 at shipping points ranged \$1.85 to \$2.10 per 100 lbs. sacked. Northern sacked Round Whites in Chicago carlot market \$2.10 to \$2.25. New York Baldwin apples steady at shipping points at \$6.25 to \$6.50. Danish type cabbage steady at New York shipping points at \$30 per ton bulk.

Butter markets firm with prices at new high level for season. Further Danish shipments expected. Cheese markets firm; most of trading taking place at primary markets.

Spot cotton prices declined, closing at 19.19¢ per lb. New York October futures also lower at 19.07¢.  
(Prepared by Bur. of Mkts. & Crop Est.)

Industrials and  
Railroads

Oct. 13: Average closing price 20 industrials, 70.90, as compared with 85.22 corresponding day 1920; average closing price 20 railroad stocks, 72.46, as compared with 84.18.  
(Wall St. Jour., Oct. 14.)

---





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 13.

Section 1.

October 15, 1921.

### Rail Rates and Wages

Representatives of the nation's railroads in conference at Chicago October 14, after announcing that they can not reduce freight rates at present without going into bankruptcy and that they would immediately seek a further reduction in employes' wages from the United States Railroad Labor Board, went into futile conference with union leaders in an effort to reach an amicable settlement of wage difficulties, which at times have threatened to tie up the transportation system of the country. The executives announced, however, that the proposal to pass future wage reductions on to the public by applying to the Interstate Commerce Commission for a reduction in freight and passenger rates had been accepted and that all future wage reductions would be met by a corresponding rate reduction. At the conference union leaders asked consideration of their request of last July that a  $12\frac{1}{2}$  per cent wage reduction granted by the Labor Board be not put into effect immediately; that no further wage reductions be sought at present, and that no change be made in the overtime pay rate. That request was refused, and the rail heads presented their statement announcing the proposal to seek new reductions and not to reduce rates until further reductions were granted. (Press of Oct. 15.)

### Freight Rates on Agriculture

One proposal made at the meeting of the railroad executives at Chicago yesterday was for an immediate reduction in freight rates on agricultural commodities, the reduction to be effective for 60 or 90 days as a test. This plan met with opposition from a majority of the roads, most of them maintaining they could not exist with lower rates. (Associated Press, Oct. 15.)

### The Railway Conference

An editorial entitled "The Railway Horoscope" in The Philadelphia Public Ledger to-day says: "It is the opinion of the hundred railway heads meeting in Chicago that the only way in which the shipper and the passenger may get relief, the only way the thousands of unemployed rail workers can get back to work, is by making a wage cut equal to the proposed cut in freight rates. High rates have paralyzed vast amounts of farm-crop tonnage. A car of Montana lambs shipped to Chicago is sold for but little more than enough to pay the freight charges. Other industries are suffering from that same creeping paralysis. Charles M. Schwab says he used to be able to sell steel at \$14 a ton and make a profit. 'Now,' says he, 'I pay more than \$14 a ton for freight on steel.' "





Atterbury Urges Wage Reduction      Reduction of wages for railroad employees, the saving to the road being passed on to the public in reduced transportation rates, was urged by W. W. Atterbury, vice president of the Pennsylvania Railroad, in an address before the National Vehicle and Implement Association at Chicago, October 15. He said in part: "In the long run a fair adjustment is in the best interests of the railroad employees. My judgment, therefore, is: First, that the railroads of the country, in order to show their good faith, should make an adjustment in rates. This adjustment should go to the agricultural interests inasmuch as they are by far the largest and most important element of our population and have already themselves borne the brunt of the greatest deflation."

Unemployment Conference Results      Reviewing the results of the National Conference on Unemployment, The Washington Post to-day says in an editorial: "In nearly every city and town in the United States the movement is under way, committees are busily engaged in compiling a roster of the unemployed and persons and organizations are devoting their energies to reduce idleness to the minimum. A central agency has been established in Washington to coordinate and assist community efforts and lend any aid possible on the part of the Federal government. While the community movement necessarily is the main reliance, there are collateral projects which will be of assistance, and these were not overlooked by the unemployment conference. Congress is asked to make reasonable appropriations for good roads and is urged to pass the railroad refunding bill, which will make many millions available for labor. States and municipalities which have under consideration public improvements of various kinds are asked to expedite them in order that work may be found for men who now are idle."

## Section 2.

Agricultural Bloc      The agricultural bloc in Congress represents discontent of a kind widely noticeable since the war and should be carefully watched by manufacturers, John E. Edgerton, president of the National Manufacturers' Association, asserted October 14 in addressing 200 Cincinnati manufacturers on the work of the association. The effect of the agricultural group upon the tax bill, he said, was so serious that manufacturers are repudiating the bill. (Press of Oct. 15.)

Agriculture and Unemployment      In an interview on the unemployment situation, John H. Kirby, of Houston, Tex., president of the National Lumber Manufacturers' Association and the Southern Tariff Association, said: "As agriculture is the basic industry of this country, with practically half of our people engaged in it, it is not possible for our other industries to dispose of their normal production when the purchasing power of our farmers is seriously impaired. It, therefore, follows that before normal conditions can be restored, all prices and all wages should be brought into harmony with the prices of agricultural products."

Cotton Prices      Tattersall's index number of cotton prices for September indicates an advance over August, the September number being 256, as compared with 219 for August and 161 for last March. American yarn prices have advanced 23 points; cloth prices, 14 points, and Egyptian yarn shows an advance of 37 points. (N. Y. Daily News Record, Oct. 14.)





**Cotton Questions to be Discussed** Among the questions that will be brought up at the meeting of the National Association of Cotton Manufacturers, to be held in Boston November 2 and 3, are the revision of the tariff, labor and transportation costs, export trade in cotton goods, research in the cotton industry and the future development of Europe as a producer of textiles. (N. Y. Daily News Record, Oct. 14.)

**Freight Rates on Limestone** Eight other Illinois railroads, in addition to the Illinois Central and Chicago and Eastern Illinois, have fallen into line with a reduced scale of freight rates on agricultural limestone, according to Illinois Agricultural Weekly News Letter, Oct. 6.

**Fruit in California** Reports from the farming districts are more favorable than for many months, and the business outlook continues to improve in Northern California. Base prices on fruits established by growers are not as large as a year ago, but conditions are more satisfactory. Dried fruits of last year's crop virtually are all sold. The canned-fruit market gives indications of brightening. Packs that have been largely hypothecated are moving satisfactorily, although most banks are still carrying large amounts on warehouse collateral. (San Francisco dispatch to Phila. Ledger, Oct. 15.)

**Fur Sale** The New York Fur Auction Sales Corporation will conduct an auction of from \$300,000 to \$400,000 worth of furs on October 20 in New York. The bulk of the offerings, it was said, will consist of northern goods. (Jour. of Commerce, Oct. 13.)

**Grain Marketing** "The grain dealers' national association in its recent meeting in Chicago magnified somewhat the seriousness of the situation confronting them from the development of the farmers' cooperative grain marketing system. The grain dealers are fighting for their life in their efforts to snuff out the farmers' movement before it becomes a factor in the grain trade. ... Such charges as the national grain dealers have made will have little weight in beating down the opposition. The farmers' marketing plan with its foundation on the local cooperative elevator with 25 years of success is not so easily doomed." (From editorial in The Nebraska Farmer, Oct. 15.)

**Marketing** "The uppermost thought in the farmers' minds - if we may judge by the addresses delivered at the state fairs in the northern and western states - is the problem of more efficient marketing. This is a part of the larger problem which interests all the civilized world - the more economical distribution of goods. It is well that the farmers are taking it up seriously." (The American Fertilizer, Oct. 8.)

**Prices** Referring to a recent Labor Department report on prices of farm products, American Agriculturist for October 15 says: "It all means that the average of farm products in going up have now practically met the commodity averages of most non-farm products that are coming down. In a word, at this moment the purchasing powers of farm products are now getting back to their normal exchange values with many other commodities, as was the case in 1913. There is still this to be said - the price equilibrium in 1913 cannot be the standard from now on. At that time dairymen produced milk with the free labor of the women and





children of the farm, and took their own pay out in manure. That kind of injustice is ended. Hereafter, the labor of women and children will be figured in cost calculations of all farm products and the payments in manure are no longer legal tender. So all along the line a higher scale value of farm products is certain, due to the fact that the labor income of the farmer will hereafter be a factor in the cost of production determinations."

Trade  
Relations

1. Economic conditions in Europe last month remained virtually unchanged, improvement in some countries being nearly balanced by unsatisfactory developments in others, according to reports issued October 14 by the Department of Commerce. There were no real changes in general economic conditions in England during September, according to Commercial Attache Dennild, at London. Increased industrial activities in Germany were reported by H. A. Adams, at Berlin. There was, however, great concern over the fact that the present boom did not so much indicate an economic recovery as it showed the result of the mark depreciation. Unsettled conditions prevailed in Austria, W. F. Upson informed the department. Government conditions were in even a worse condition than formerly, while prices were soaring and supplies in general were inadequate. A substantial improvement in the textile industry of Czecho-Slovakia was noted by Trade Commissioner Geringer, at Prague. The general situation of the Italian industries showed very little change, according to Commercial Attache MacLean, at Rome. A large budget deficit, diminution of foreign trade totals and abnormally large purchases of foreign grains constituted the outstanding features of the economic situation in Spain, as reported by Commercial Attache Cunningham, at Madrid. (Press of Oct. 15.)
2. Germany need hold no terror for American exporters, manufacturers or businessmen, according to Dr. Julius H. Klein, director of the Bureau of Foreign and Domestic Commerce. German foreign trade, although making reasonable progress in Europe and many other quarters, is not returning to its prewar standards in the whirlwind fashion now so much advertised. (Phila. Ledger, Oct. 15.)

Wool  
Marketing

The Harrison County, Ohio, Wool Growers' Association has disposed of its 1920 pooled clip. This constituted one of the largest sales of wool ever made in the state. James Bently, of St. Clairsville, purchased about 40,000 pounds of the wool, the remainder being taken by Boston buyers. The prices ranged upward from 20 1/4 cents for quarterbloods. (N. Y. Daily News Record, Oct. 14.)

Wool Prices  
in London

The eighth series of London Colonial wool sales this year began October 11. Approximately the quantities were 150,000 bales, comprising 78,000 privately owned and 72,000 on behalf of the British Australian Wool Realization Association. Home and foreign buyers were in large attendance and an active demand resulted in a clearance of the offerings, which covered 11,600 Realization Association wools. (Jour. of Commerce, Oct. 13.)

Wool Market  
in Spain

The first official wool market in Spain was recently opened at Sabadell, the chief wool-producing center of the country. This market is the result of efforts of trade circles to reconcile producers with consumers. (Press of Oct. 15.)

1228-1230 21st St. Chicago, Ill. 60604

Dear Mr. [Name]:

I am writing to you regarding the [Topic] of [Subject]. I have been thinking about this for some time and I believe it is important for you to know what I have to say.

[The following text is extremely faint and largely illegible due to the quality of the scan. It appears to be a multi-paragraph letter.]

I am, very truly, your friend,

[Signature]

1228-1230 21st St. Chicago, Ill. 60604



Waterway  
Trans-  
portation

"The development of the Great Lakes - St. Lawrence waterway system, which would result in making the present Great Lakes cities virtual seaports, and thus bring the ocean 1,500 miles nearer Nebraska, offers an effective means of widening the present bottle-neck of industry. Not only will it widen the bottle-neck, but will also mean cheaper transportation rates, particularly on the products of the Middle West." (The Nebraska Farmer, Oct. 15.)

Wheat  
Marketing

The opportunity of the Northwest wheat grower to free himself from the speculator and the strongly-intrenched big dealer who have heretofore been largely able to tell him what he shall receive for his product and also when he can or can not sell it has arrived. This opportunity has been made possible by the final organization and initial operation of the Northwest Wheat Growers Associated, with headquarters at Spokane, Wash. Already this year this organization has made foreign sale direct that will net its members \$1.12 at interior points, a price which up to the time that it was announced was eight cents per bushel higher than that received through any other selling source. In addition to this, this organization now has a salesman located in London who already has begun a systematic campaign in the large wheat-buying centers of the United Kingdom and Europe for direct sales." (From editorial in Western Farmer, Oct. 1.)

## Section 3.

## MARKET QUOTATIONS.

## Farm Products

Oct. 14: Wheat lower early but market had strong undertone due in part to falling off in southwestern offerings and to a good cash demand, and Chicago December wheat closed higher at \$1.15 5/8; Chicago December corn also higher at 47 1/2. Average price paid farmers in central Kansas for No. 2 hard winter wheat \$1.; average price to farmers in central North Dakota for No. 1 dark northern wheat \$1.14 1/2; average price to farmers in central Iowa for No. 2 mixed corn approximately 31¢. In Chicago cash market No. 2 red winter wheat closed at \$1.23; No. 2 hard winter wheat \$1.13; No. 2 mixed corn 46¢.

Chicago hog market higher, bulk of sales \$7.25 to \$8.60. Butcher cows and heifers slow and steady at \$3.75 to \$9.50. Fat lambs \$7.75 to \$9.25; feeding lambs \$6.75 to \$7.75.

Potato markets generally steady. Round whites slightly weaker at shipping points at \$1.65 to \$2. Northern sacked Round Whites in Chicago carlot market \$2.10 to \$2.25. New York Baldwin apples A 2 1/2 steady at shipping points at \$6.25 to \$6.50. New York and Northern Danish type cabbage firm at shipping points at \$30 to \$32 per ton bulk.

Butter markets continue firm, although feeling exists in some quarters that markets are becoming top heavy following the steady advances this month. Cheese markets also continue firm. Hay receipts increasing at Minneapolis and Chicago. Demand improved at Cincinnati and Kansas City. Southern markets still inactive. Feed stocks and offerings good. Demand continues quiet. Spot cotton dropped 1 point closing at 19.18¢ per lb. New York October Future down 12 points at 18.95¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and  
Railroads

Oct. 14: Average closing price 20 industrials 70.15, as compared with 85.40 corresponding day 1920; average price 20 railroad stocks, 71.84, as compared with 84.65. (Wall St. Jour., Oct. 15.)





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 14.

Section 1.

October 17, 1921.

Rail Rates and Wages      The public group of the Railroad Labor Board and the Interstate Commerce Commission were asked by President Harding October 15 to take action to avert serious complications in connection with the imminent railroad strike and, if possible, settle the railroads and the men. (Press of Oct. 16.)      differences between

---

Strike Answer to Wage Cut Demand      More than half a million railroad men were ordered October 15 to begin a strike October 30, while other unions whose membership would bring the total to about 2,000,000 announced unofficially that they were preparing to follow suit and make the walkout general on the same dates. (Assoc. Press, Oct. 16.)

---

Federal Action on Strike      Federal action in connection with the threatened national railroad strike still was confined October 16 to the conferences brought about by President Harding between the Interstate Commerce Commission and the public representatives of the Railway Labor Board. Immediate translation of the reduction authorized last July in wages of railroad employees into reduced freight rates was suggested by the public group of the Railway Labor Board last night as "one feasible plan by which the present controversy can be settled and a strike averted. If the railroads will immediately, in good faith, adopt this suggestion," the public group said in its first statement issued since arrival in Washington, "the situation can be cleared up, freight rates reduced to shippers, the cost of living reduced to consumers and a stimulating effect exerted upon all business." Under the plan suggested by the public group, the railroads would withdraw their requests for further wage reductions until freight reductions have been completed, and "pending action of the board on such petition for further reduction as the carriers may subsequently submit," the unions would withdraw the strike order. ... Consideration of the problem will be resumed this afternoon by the two Government agencies which have in charge practically complete regulation of railroad affairs." (Assoc. Press, Oct. 17.)

---

Rail Conditions      An editorial in to-day's New York Times entitled "An Impossible Strike" says: "The very railroad employees who have voted a general strike on October 30 must know that their project is mad. At any time the complete tying up of the railroad systems of the United States would be an outrage; under present circumstances it would be a crime. Through much suffering and after many sacrifices the country is struggling back to fuller work and brighter hope. Yet





here it has a threat of chaos come again - of industrial paralysis, commercial ruin, disease, want and starvation. The unemployed have been a subject of anxious national concern; but now 2,000,000 of the employed propose to quit work, and to force tens of millions into idleness. While thousands of workers in the great industries have accepted lower wages, as a necessary part in the deflation of swollen war values, the railroad men are talking of plunging the whole people into fear and misery rather than admit the need of a reduction in their pay. The thing seems lunacy. No great strike ever succeeded without the support of at least a part of public opinion. But a general railway strike now would from the start meet with swift and overwhelming reprobation. 'It means life or death for the railway unions,' declares one of the leaders of the men. Well, if the issue is raised and pressed, dead against the public interest and the governing sentiment of the country, it will mean their death. That extreme need not come. ... Toward this the President is discreetly moving. There is no occasion for him as yet to meet threats with defiance. ... It should not come to that. Yet we ought - all public officials ought - to make ready to do what will be necessary if the worst comes. ... "

Agricultural  
Committee's  
Report on  
Unemployment

The report of the committee on Agriculture of the National Conference on Unemployment says in part: "The committee represents an industry employing more workers and involving an aggregate investment far greater than in any other industry. This industry provides more than half of the raw materials used in manufactures, furnishes approximately 50 per cent of the gross freight revenue of the railroads, and makes a consumers' market for 40 per cent of all manufactured goods. It is plain that an industry of 13,000,000 workers out of a total of 40,000,000 in all industries, an industry furnishing 40 per cent of the consuming power of the nation, ... has an all-pervading influence on unemployment. There is no acute problem of unemployment in the agricultural industry. On the contrary, this industry is absorbing or at least providing a haven for great numbers of unemployed from the industrial centers. In the face of falling prices and vanishing profits farmers have maintained their production of food and other raw materials even when they had no assurance or reasonable hope of receiving for their products a price equal to their production costs. In instances they have done this on mere subsistence wages. ... Thanks to this willing and often unprofitable activity on the part of farmers, the nation now has a great abundance of food products and raw materials for clothing. The farmers' difficulty and the cause of much of the industrial distress and unemployment in the cities grows out of the fact that the prices received by farmers enables them to buy only about half as many manufactured products at the prices asked as they purchased in normal times. ... The farmer cannot continue to exist on the present basis. His share is too low, or others are receiving too much. ... "

The recommendations made by the report include: "1. All prices and all wages should be so adjusted that a normal reasonable ratio will be established between the incomes of farmers, laborers, manufacturers and the merchants in order that the purchasing power of the farmer may be restored. ... 2. Railroad freight rates on commodities transported to and from the farm must be substantially reduced without delay. 3. The prices of materials, farm implements, and supplies must be adjusted to the price level of farm products. ... 4. The aggregate of charges between the farmer and the food consumer are excessive and the way should be found to reduce them. ... 5. Better credit facilities





must be provided for agriculture. ... 6. Exports of agricultural products should be stimulated. ... 7. Any tariff legislation which may be enacted should develop and maintain a just economic balance between agriculture and other industries. ... "

#### Agriculture

The Journal of Commerce for October 15 says in an editorial entitled "False Views on Agriculture": "There is a current theory of the place of agriculture in our economic life which, not because of its essential newness but by reason of the increasing credence given it, calls for the sober thought of the nation. It runs about as follows: 'Agriculture is the "fundamental" industry upon which all other industry depends. ... If, therefore, America is to be fully prosperous pains must be taken to insure sustained prosperity among the farmers, even at the price of direct governmental subsidy.' ... Ideas very close to this have been advocated and taught in certain of our agricultural colleges from time to time for years past. Much of the same philosophy frequently finds expression in the speeches of Congressmen, and a former Secretary of Agriculture is the author of a recent article ... advocating an elaborate system of Government-guaranteed prices of agricultural products, the plea for this absurd step being based upon its alleged benefit to the manufacturing and trading interests of the nation. ... The facts should be faced squarely. There is no disposition in any way to belittle the importance of our agriculture. ... It should be obvious even to rabid agrarians that the value of agriculture to the nation arises and must continue to grow out of its own inherent strength. The farmer demand for manufactured goods, of which so much is said, is dependent, it should be evident, upon the volume of values which the farmer actually produces to give in return. If a good many legislators and publishers of farm journal had their way manufacturers and traders would be taxed for the benefit of the farmer in order that the latter might use those funds to purchase goods from the former. The essential absurdity of thus attempting to force industry and trade to lift and carry themselves by their own bootstraps is or should be obvious to all." (The article referred to is that by former Secretary Meredith, entitled "Business and Agriculture," in October North American Review. Quotations from it were given in Daily Digest for Oct. 12.)

#### Business Conditions

"Gains thus far made in industrial activity are real, and there is steady progress toward better business. With the exception of cotton, the crops are reasonably good, and their movement is being reflected in an improved banking position as farmers' obligations are liquidated. Cotton mills, the wool manufacture, and the boot and shoe industry are all holding their improvement of recent months. Although the steel industry is operating at about one-third of capacity, production of both pig-iron and steel made fair gains in August. ... Many other industries report slight betterment." (From Commerce Monthly, October.)

#### Cooperative Marketing

"There is a great deal of talk in the Dairymen's League territory about dissatisfaction with the workings of the pooling plan. It is stated that those who did not sign up in the pool have been receiving better prices than those in the pool. Yet we are informed by people in the territory that it is difficult to put a finger on a malcontent. It always appears that they are numerous in some other neighborhood." (Pennsylvania Farmer, Oct. 15.)





Land Bank  
Operation

"An instance of how the Land Bank of the State of New York can serve individuals and communities is revealed in a recent transaction with the City of New York through the local savings and loan association. The proceeds of these bonds are absorbed by the local building and loan association and loaned out to build homes and increase the housing facilities of the city. The expense of this transaction is trifling as handled through those strictly cooperative institutions, and the money in control of the members serves immediate individual needs, and contributes to the community welfare." (Rural New-Yorker, Oct. 15.)

## Potash

The German potash combine has sold to American consumers 30,000 tons of pure potash, deliveries to be spread over the period between now and January 31 next. (Jour. of Commerce, Oct. 15.)

## Prices

Sauerbeck's index number of wholesale commodity prices, compiled by The Statist, showed a decrease of 6.1 points during September, the total now standing at 149.4, against 155.5 at the end of August. The downward movement during the month compared with a drop of 2.7 points in August. The compilation is now at the lowest level reached since the turn in prices came and contrasts with a peak of 266.1 reported at the end of April, 1920. Textiles represented the only classification entering into the compilation which showed an increase during the month, advancing 17.9 points to 152.8. Vegetable food declined 12.5 points to 141.3, animal food was 27.1 points lower at 184.9 and sugar, coffee and tea were off 3.1 points at 82. The general foodstuffs group was down 13.1 points at 147. ... The general materials group dropped 0.1 point to 152.7. (Jour. of Commerce, Oct. 15.)

Prices and 1.  
Speculation

Chicago Journal of Commerce for October 13 bases an article concerning the variations in live-stock markets on correspondence between a hog raiser of Columbia, Tenn., and J. Ogden Armour. The article says in part: "The packer pointed out that the extreme fluctuations of price are due more to speculators than to packers. When a run of hogs is light speculators pounce on them and run the prices up. Packers do not follow because they have no fancy for paying more than is necessary. When there is a big run speculators quit the market and it falls. Packers do follow it on the way down because they want all the cheap hogs they can get and their buying promptly restores the price. What Mr. Armour did not say is that the packers are the agency that stabilizes prices."

2. "The recent advance in the price of cotton was accompanied by much speculation. The crop must have been bought and sold several times within a comparatively short period. And yet nobody is worrying about speculation or about more cotton having been sold than has been produced. The reason for this is that prices were advancing instead of receding. If there had been no speculation would the advance have come so early? Or would it have been known to and realized by the grower so promptly? Probably not. Recently the wheat market has been quite weak in spite of a very strong statistical position. Foreign demand has slackened and there is a lack of buying which is ascribed to a scarcity of speculators. Would the wheat market be better or worse if there were more speculation in wheat now? Probably better, for somebody must carry it and producers are not in good position to do it." (The National Stockman and Farmer, Oct. 15.)





## Section 3.

## MARKET QUOTATIONS

## Farm Products

During the week ended October 15 the wheat market displayed a better undertone. Advance in sterling and Continental exchange, and improved cash and export demand were the main bullish features. Corn markets were dull and featureless. For the week Chicago December wheat gained 6 3/4¢ closing at \$1.15 3/4; December corn lost 1/4¢ closing at 47 1/2¢. Chicago May wheat closed at \$1.19 3/4; May corn 53 1/8.

Butter markets were firm under a steady demand for fancy grades. Cheese markets firm also.

Chicago hog prices dropped 10 to 50¢ per 100 lbs. during the week; corn fed steers and yearlings mostly 25 to 50¢ higher; heifers generally steady; cows steady to 10¢ higher; stocker and feeder steers strong to 15¢ higher; fat sheep and lambs steady to 25¢ higher; feeding lambs 25 to 75¢ higher. (Closing prices given in daily review following)

Potato shipments continued heavy throughout the week, shipments totalling over 10,000 cars. Demand in consuming centers limited; markets fairly steady. There was a good demand for onions in producing sections and prices advanced both at shipping points and in city markets. Apple markets were steady to firm with demand moderate.

Hay receipts generally were not large but increased at Minneapolis and Chicago. Demand improved at Cincinnati and Kansas City. Southern mills continue inactive. Feed prices are \$1 to \$3 lower than a week ago. Stocks and offerings good. Demand quiet.

Spot cotton prices declined 54 points during the week, closing at 19.27¢ per lb. New York October future down 65 points at 18.95¢.

October 15: Wheat market unsettled but Chicago December closed higher; Chicago December corn unchanged at 47 1/2c. In Chicago cash market No. 2 red winter wheat \$1.23; No. 2 hard winter wheat \$1.17; No. 2 mixed corn 46¢; No. 3 white oats 32¢. Average price paid farmers in Central Kansas for No. 2 hard winter wheat \$1; average price to farmers in Central North Dakota for No. 1 dark northern wheat \$1.16; average price to farmers in Central Iowa for No. 2 mixed corn approximately 32¢.

Chicago hog market unchanged, bulk of sales \$6.75 to \$8.40; medium and good beef steers \$6.15 to \$10.85; butcher cows and heifers \$3.75 to \$9.50; fat lambs \$7.75 to \$9.25; yearlings \$5.50 to \$7.50.

Potato markets generally steady. New York round whites down 5¢ at shipping points at \$1.95 per 100 lbs. sacked. Northern stock steady f. o. b. at \$1.75 to \$1.95. New York Baldwin apples A 2 1/2 at shipping points \$6.25 to \$6.50. Massachusetts yellow onions higher at shipping points at \$4.50 to \$4.75. Danish type cabbage firm at shipping points at \$30 to \$33 per ton bulk. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and  
Railroads

Oct. 15: Average closing price 20 industrials 70.09, as compared with 84.96 corresponding day 1920; average closing price 20 railroad stocks 71.15, as compared with 84.05. (Wall St. Journal, Oct. 17.)





## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

Vol. III, no. 15.

Section 1.

October 18, 1921.

Rail Heads Condemn      Presidents of the leading middle western railroads in a  
Reduced Rate      joint statement October 17 turned down as "impossible" the pro-  
Proposal      posal of the Railway Labor Board public group that freight rates  
be reduced immediately as a possible means of averting a general  
rail strike, and charged that the proposed walkout "would be a strike against the  
Government, called by unions primarily for the purpose of nullifying the transporta-  
tion act of the labor board." (Assoc. Press, Oct. 18.)

Immigration      Senator Harris October 17 introduced a resolution which,  
Stoppage Urged      after citing conditions of unemployment in the United States,  
proposed the temporary stoppage of virtually all alien immigra-  
tion. (Press of Oct. 18.)

Permanent      Selection of a standing committee to coordinate the opera-  
Employment      tion of the emergency program for the relief of the country's  
Board Named      involuntary idle was announced October 17 by the National Con-  
ference on Unemployment. The committee is authorized to recon-  
vene the conference whenever it deems it advisable. The members of the committee  
are: Secretary Hoover, chairman; Mayor Andrew J. Peters and William M. Butler, Bosto  
Mortimer Fleischhacker, San Francisco; C. H. Markham, Chicago; E. M. Poston, Columbu  
O.; Julius H. Barnes, Ida M. Tarbell, Mary Van Kleeck, and Col. Arthur Woods, New  
York; Ernest T. Trigg, Philadelphia; Edgar E. Clark, Joseph H. Defrees, Matthew Woll  
and Clarence Mott Wolley, Washington, D.C. (Press of Oct. 18.)

Farm Loan      The War Finance Corporation announces that it has approved,  
Financed      under Section 24 of the War Finance Corporation Act, an advance  
of \$235,000 to a bank in North Carolina for loans for agricultur  
al purposes. (W.F.C. press statement.)

The Strike Issue      An editorial entitled "The Strike Issue Clear" in to-day's  
New York Times says in part: "... Their real quarrel is not wit  
the railroads. They are not protesting against any act or proposal of the railway  
managements. The strike, if it comes, will be on the single and naked issue of refus  
ing to submit to a decision of the Railroad Labor Board. This is the quasi-judicial  
body charged by Federal law with the duty of fixing railway wages. A year ago, in  
its Decision No. 2, it ordered a substantial increase in the wages of the employees.





expected drift of those farmers who follow socialistic leaders, and Wisconsin in some respects is fertile ground, her senior senator and her great university having in a measure prepared the minds of the restless population for such a movement. The influence of the agricultural bloc at Washington was no doubt also a factor. ... "

Cranberry  
Crop

The Cape Cod cranberry crop this year is almost a failure and the financial loss to growers, workers and merchants is one of the worst in the history of cranberry culture on the Cape. The yield will not be more than 175,000 barrels. (Boston dispatch to press of Oct. 18.)

Food Prices

Prices of food at wholesale during September remained unchanged from August levels, the Department of Labor reported October 17, but retail food prices were found to have decreased 1.1 per cent. The estimates are compiled from reports made to its statistical bureau concerning prices in fifty-one principal cities. The wholesale price index of the department remained unchanged at 152. although minor up and down changes were noted in individual commodities, which were balanced in the composite return. The index figure for September 1920, was 242. As to retail prices, the department reported that the net decrease for the year since September, 1920, amounted to 25 per cent. (Press of Oct. 18.)

Grain  
Marketing

The Price Current-Grain Reporter for October 12 says: "The information comes to this office in a very direct way that the U.S.G.G., Inc., management is already about \$250,000 in debt probably to local cooperative companies and individuals and that the Illinois farmers' general agricultural organization also is about \$150,000 on the red ink side with a very large proportion of the \$15-a-year men refusing to pay any longer, or until they can see some results for their money. ... The campaign of the U.S.G.G., Inc., to get signers to the marketing contract goes on just the same, of course, and the number of signers is no doubt increasing daily; but nothing is being added to the funds or assets of the corporation, with which to do business, the daily collections of ten dollars per signer being absorbed by the honorarium and per diem expenses of the solicitors."

Live-Stock  
Marketing

"Is the big job for the Committee of Fifteen to outline a scheme of cooperative live-stock commission firms which will save 2, 5 or possibly 8 cents a hundred, or is the big job to organize for orderly marketing in such a way as to avoid the 50-cent daily declines and 50-cent daily advances? Personally, we believe that orderly marketing is the much more important of the two, and that the chief argument for cooperative commission firms is that they will help in orderly marketing. If the already existing commission firms and the big packers give whole-hearted assistance in orderly marketing we see very little need for the cooperative commission firms except perhaps in the handling of feeders. The existing commission houses and packers have given assurance of their desire to help to the limit in orderly marketing. ... " (Wallaces' Farmer, Oct. 14.)

North Dakota  
Politics

In an article entitled "North Dakota Wins her Fight," The Nation for October 19 says: "Into North Dakota's recall election on October 28, toward which friends of the farmers' administration have been





looking with some discouragement if not with actual fear, has come a dramatic turn that transforms the entire situation. What was intended to humiliate Governor Frazier and wreck the Nonpartisan League may now improbably prove a vindication of both and the fulcrum of an effective development of the farmers' program. The announcement that a firm of brokers in Toledo has taken in one block the entire outstanding issue of the State's real estate bonds means that what had every appearance of an attempt on the part of the country's financiers to hold up an experiment in industrial democracy has failed. It means that Governor Frazier and the two other officials against whom the recall is directed will be able to face the election with definite prospects for the future. ... This sale, together with the bonds already disposed of, not only assures the State sufficient funds with which to resume the long-delayed farmers' program but it should be proof to democratic movements everywhere that they can control their finances if they will. Whatever the result of the recall election, this one final victory will stand to the lasting discouragement of every movement which seeks to break down the arbitrary power of those who rule men by withholding credit."

Packer  
Hearings

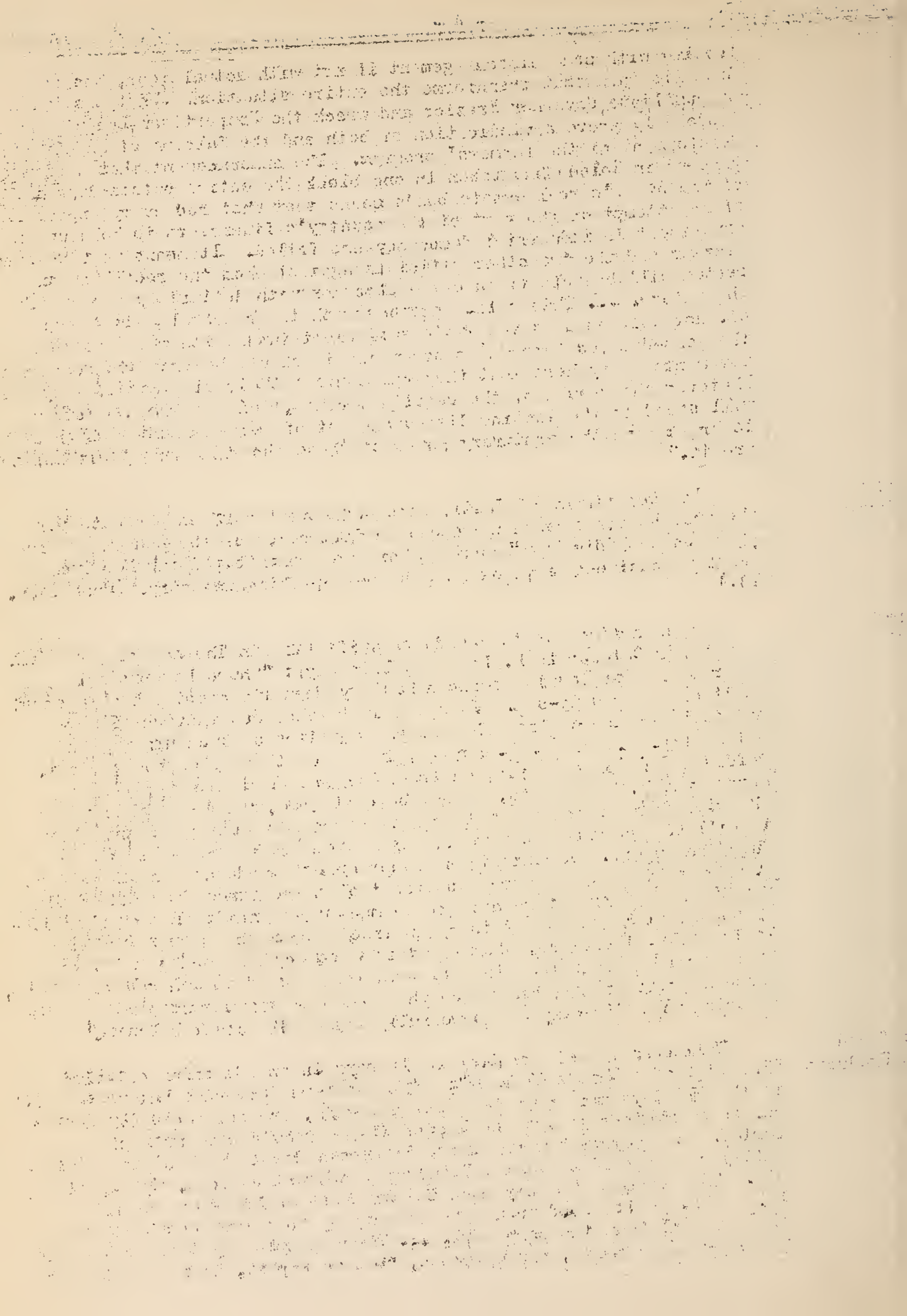
The Department of Justice has set November 28 as the date for the oral hearings on the proposed modification of the consent decree by which the "Big Five" meat packers were prohibited further from handling business unrelated to the meat-packing industry. (Press, Oct. 18.)

Tariff

In an article on the Fordney tariff bill in The Magazine of Wall Street for October 15 H. Parker Willis says: "There has probably never been a period in American history when it occupied the foremost position it does to-day. This is due to the fact that our international balance of trade has become a matter of such urgency and difficulty. ... Mr. J. M. Keynes, in a recent essay on the subject, refers to our present foreign trade balance as an annual gift to Europe which, he asserts, cannot be collected, and he further takes the view that if we expect to continue business along present lines it will be essential that we buy more from Europe and sell less to European buyers. A diminution of our export trade and an increase of our import trade he regards as essential if we expect to collect interest on past or future advances - much less principal, and absolutely essential if we intend to go on trading upon the proper footing. It is clear, therefore, that our tariff policy has to-day a bearing that is much larger than that of protection or of fiscal relationships, since it will greatly influence the amount of our importations and in so doing will directly and powerfully affect the trade balance."

Tariff and  
Farm Products

Wallaces' Farmer for October 14 says in an editorial entitled "The Kind of a Tariff We Need": "The eastern financial interests which in the old days were very keen for a tariff, are now decidedly doubtful as to whether or not the United States should have much of a tariff. And especially are these interests doubtful about the advisability of a tariff on such agricultural products as corn, wheat, hides, etc. They foresee the day when the Atlantic seaboard can secure a large part of its food much more cheaply by boat from South America than by rail from the corn belt. ... These people say that as long as we export more wheat, for instance, than we import, that a tariff can





do the American wheat farmer no good. They say that the world wheat price is set at Liverpool. ... They forget the matter of grade. ... If a tariff on farm products is desirable, what is the best form of a tariff? In our opinion, the best kind of a tariff is that which will serve most effectively to maintain prices of farm products at a level most nearly equivalent to the cost of production. As a minimum cost of production for farm crops, we favor the idea that the price should be high enough to return 6 per cent on the prewar value of the land and to pay in addition for the farm labor put into producing the crops a wage as much above the prewar level for farm labor as city labor is above its prewar level. ... "

---

### Section 3.

#### MARKET QUOTATIONS.

##### Farm Products

Oct. 17: Wheat prices declined sharply on account of bearish construction placed on Government report of reserves of wheat as of Oct. 1; threatened railroad strike, and increase in visible supply. Visible supply wheat 55,895,000 bushels; corn 17,317,000 bushels. In Chicago cash market No. 2 red winter wheat \$1.18; No. 2 hard winter wheat \$1.11; No. 2 mixed corn 45¢. Average price paid farmers in Central Kansas for No. 2 hard winter wheat \$1; average price to farmers in Central North Dakota for No. 1 dark northern wheat \$1.14; average price to farmers in Central Iowa for No. 2 mixed corn approximately 30¢.

Chicago hog market opened higher but closed weak, bulk of sales \$7.25 to \$8.75. Desirable corn fed steers and yearlings steady to strong; medium and good beef steers \$6.15 to \$10.85. Light and medium weight veal calves \$6 to \$11.25. Fat lambs down 25 to 50¢ at \$7.50 to \$8.85.

Potato markets slow and dull with slightly weaker tone. Northern round whites at shipping points \$1.80 to \$1.95 per 100 lbs. Northwestern box apples, Extra Fancy Winesaps at shipping points \$2.25 to \$2.35. Western New York Danish cabbage steady at shipping points at \$30 per ton.

Spot cotton prices lower at 18.70¢ per lb. New York October future also lower at 18.25¢.

Butter markets firm. Active demand for best grades keeping prices from declining. Cheese markets steady although undertone is somewhat unsettled.

Hay market generally weaker because of increased receipts and restricted demand. Feed market weak; prices generally lower.  
(Prepared by Bur. of Mkts. & Crop Est.)

##### Industrials and Railroads

Oct. 17: Average closing price 20 industrials 69.46, as compared with 84.31 corresponding day 1920; average closing price 20 railroad stocks 70.00, as compared with 83.44. (Wall St. Jour., Oct. 18.)

---





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 16.

Section 1.

October 19, 1921

**Rail Situation** "Efforts to avert the nation-wide strike scheduled for October 30. found governmental agencies, representatives of the public and some railway labor unions taking action simultaneously October 18, which all hoped would prevent a tie-up of the country's transportation system through a walk-out of nearly 2,000,000 employees in protest of wage cuts. Foremost among the moves being made by the different groups was a meeting between the Railroad Labor Board and the heads of the five unions, which already have authorized their men to strike, called for October 20 by the board and at the request of President Harding, it was said by board members." (Assoc. Press, Oct. 19.)

---

**American Farm Bureau Federation Appeals** The first move on the part of a public organization to avert a strike came when the American Farm Bureau Federation, representing 1,250,000 farmers, sent petitions to the Interstate Commerce Commission asking an immediate 10 to 20% reduction in freight rates on necessities, and announced that it also would appeal to the Railroad Labor Board not to grant a new 10 per cent wage reduction which the roads announced they will seek, but rather to generally revise wages in accordance with the cost of living in various sections. Concurrence in these requests should avert the strike, the federation said in its announcement, through which it volunteered to meet with union and rail representatives as a mediator. (Assoc. Press, Oct. 19.)

---

**Tariff** A bill to extend the life of the emergency tariff law to February 1 was passed October 18 by the House. The measure now goes to the Senate. If the extension is not authorized, the emergency measure, designed particularly to protect agricultural products until the enactment of the permanent tariff bill, would expire on November 27. (Press, Oct. 19.)

---

**Governors Meet to Assist Farmers** Terming the agricultural situation one that prefigures bankruptcy, and urging that something be done immediately to relieve the situation, Gov. N. E. Kendall, of Iowa, October 18, addressed a conference of governors and industrial commissioners from four middle western states at Des Moines. Asserting that the seriousness of the situation could not be overstated, Governor Kendall said that the financial, economic and industrial conditions of the country demanded the most serious attention from all those in authority. "In all the states represented here, agriculture is the paramount industry," he said. "It is of primary importance that those engaged in that pursuit shall realize fair returns upon the investment of capital and labor which they apply to it." The governors will outline details of plans to-day. (Assoc. Press, Oct. 19.)





### The Strike Threat and the Law

The Washington Post says in an editorial to-day: "The Railroad Labor Board and the heads of the five principal labor organizations that have threatened a railroad strike will meet tomorrow afternoon in Chicago. Eleven other organizations are waiting the outcome of the conference, to determine whether or not they shall walk out. The railroad wage controversy has narrowed down to this question: Do the parties to this controversy intend to obey the law, or do they not? Upon the answer to that question depends the action of the government, and the action of the people, who stand behind the government. There is a law which covers the controversy, and which, if applied and obeyed, will give justice to both carriers and workers. There is a law which provides for the fixing of rates as well as the adjustment of wages. The situation is not in the control of the quarreling carriers and employees - not at all. It is in the hands of the law, as administered by the government. ... The law gives the Interstate Commerce Commission authority to change freight and passenger rates. Whatever the carriers or the unions may say, the commission can pass along to the public the benefit of the \$400,000,000 wage reduction if it sees fit to do so. ... Upon examination of the statute it is clear that the unfortunate situation now confronting the nation could easily be cleared up if the parties to the dispute would but observe the law. The transportation act is comprehensive, and no contingency has arisen which is not covered by its provisions. Both the carriers and the workmen have accepted it and at different times have profited through its workings. Its terms likewise guarantee protection to the public. Under these conditions it would appear that the ends of justice would be best served by unanimous observance of its provisions and willing obedience to its mandates. ... "

### Section 2.

#### Cotton Thread Cut

The Coates firm has reduced cotton thread prices 3 farthings per 300-yard reel and other lengths at a corresponding rate. (London cable to Jour. of Commerce, Oct. 18.)

#### Farm Feminism

An editorial on "Feminism on the Farm" in The Nation for October 19 says: "Feminism in New York City or Chicago or San Francisco may mean many things. ... But in Nebraska and North Dakota and Wyoming and points North and South and West, on every farm and in every homestead, feminism means something else. It means, to quote in full the Declaration of Independence recently drawn up and published by the farm women of Nebraska: 'A power washing-machine for the house for every tractor bought for the farm; a bathtub in the house for every binder on the farm; running water in the kitchen for every riding-plow for the fields; a kerosene cook-stove for every automobile truck; a fireless cooker for every new mowing-machine; our share of the farm income.' And this is neither a petulant outburst nor an amiable jest. Backed up by the home demonstration service of the Department of Agriculture the farm women of Nebraska are going to see to it that 100 per cent of their number are supplied with ... at least that minimum of conveniences which can be achieved even before the whole country is electrified and housework no less than factory work is done by power."

#### Financing Cattle Growers

Arrangements by which money may be raised to assist Nebraska's cattle industry have been made by the bankers comprising group 6 of the Nebraska Bankers Association. Under plans of this corporation, 8 per cent paper will be taken through member banks and rediscounted by War Finance Corporation at 6 per cent. (Commercial West, Oct. 15.)





Foreign  
Trade

The Secretary of Commerce has appointed Dr. Joseph A. LeClerc trade commissioner to travel through Europe to make a special investigation of the prospects of introducing American corn products. Secretary Hoover also has ordered Commercial Attache Dennis, at London, to undertake an investigation of trade in American agricultural products in various sections of Europe. (N. Y. Times, Oct. 16.)

Grain  
Marketing

C. H. Gustafson, president of the U. S. Grain Growers, Inc., states that membership reports disprove the statement of R. I. Mansfield, of the Grain Dealers National Association, as to the failure of the Grain Growers' movement. Mr. Gustafson says: "Mr. Mansfield's statement can only be interpreted as a weak excuse for the abandonment of his Chicago office and failure to accomplish any material result." (U. S. G. G., Inc., News Letter, Oct. 17.)

Potato  
Marketing

The marketing of \$1,000,000 worth of potatoes and cabbage the first year is the goal of the Empire State Potato Growers' Association which began business on Sept. 23 last. The federation is composed of some twenty local cooperative associations. (N. Y. Times, Oct. 16.)

## Prices

In an article entitled "Retail Prices - A Stumbling Block," E. D. King in The Magazine of Wall Street for October 15 says: "A real estimate of the actual level of retail prices is a most difficult undertaking. Such prices, even for the same articles, vary not only in different parts of the country, due to the difference in transportation charges, rents and other factors entering in the local situation, but they even vary in different stores in the same city. ... According to the Federal Reserve retail food price index, the decline has been about 35 per cent. The discrepancy here is a rather large one as compared with the Bradstreet index, but it may be assumed roughly that retail food prices are about 40 per cent under the highest figures of 1920 and probably 60 per cent above the lowest as based on 1914 figures. In any case, it is obvious that commodity prices have declined more extensively than retail food prices. When it comes to a comparison between wholesale prices and retail prices on other commodities than food, the matter becomes vastly more complicated on account of the price variations in different parts of the country. However, it would be difficult to disprove that for the country as a whole, retail prices are 40-50 per cent above prewar figures and probably, on the average, about 20 per cent higher in proportion, than commodity prices. From a statistical viewpoint, therefore, it is a logical conclusion that retail prices have not as yet done their share with regard to deflation."

Standardi-  
zation

Part of the tremendous waste in distribution in this country can be eliminated by standardization of the quality, quantity and variety of products, Alvin E. Dodd, manager of the Domestic Distribution Department of the Chamber of Commerce of the United States, told the National Association of Purchasing Agents at their annual meeting last week in Indianapolis. (N. Y. Commercial, Oct. 17.)

## Tariff

1. A number of American university economists condemn the American valuation plan as proposed in the Fordney tariff bill, on account of its alleged evil economic possibilities for American industry, and declare against its passage in a statement issued October 16. (N. Y. Daily News Record, Oct. 17.)





## Tariff

2. "Take the Tariff out of Politics" is the title of an editorial in The Farmer (St. Paul) for October 15, which says in part: "Is it not high time for the American people to insist that tariff-making be taken out of politics? It is perfectly proper for tariff policies to be expressed through political parties, but when it comes to the actual making of schedules, how can any large body of men such as Congress hope to agree on tariff rates that can only be determined by a body of experts? Changes in the tariff law may be necessary every year or even every month, depending on changing economic conditions the world over. Yet our American tariff is changed only by a sort of political upheaval after long periods of time when the injustices of existing tariffs exhaust the patience of the people. We are now going through one of these upheavals as expressed by the Fordney bill. ... If it is passed it will probably disappoint as many people as it pleases, because it will express only the wishes of those who are powerful enough to put it over."

Tariff Effect  
on Canada

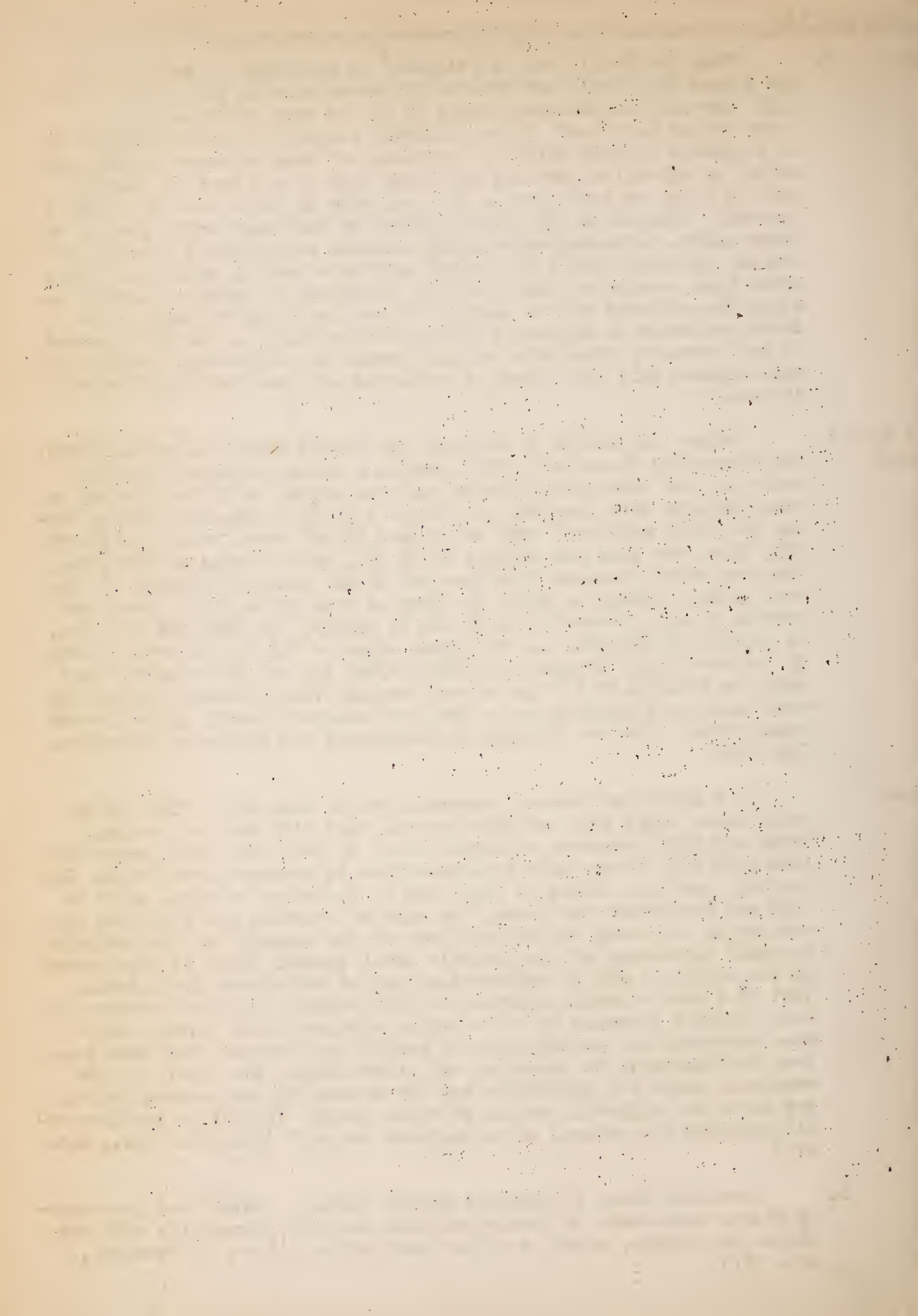
"After four months of testing, the United States emergency tariff has thoroughly proved its efficiency as a barrier against Canada's exports. The item most affected has been sugar, as it was the one in which exports were largest. ... The next largest item was cattle. During the three months of 1920 we shipped 58,867 head, valued at \$4,067,030; this year this had dropped to 18,811, with a value of \$518,323. The duty which produced this drop was 30 per cent ad valorem. In the same period, sheep, on which the duty is from \$1 to \$2 per head, according to age, dropped from 17,670 in number, and \$205,698 in value, to 15,063 and \$96,051. ... The total value of all the exports covered by the new tariff dropped from \$22,412,987 for the three months last year, to \$7,135,195 for the current period. This, however, is not the most accurate criterion, as values have slumped greatly in the period dealt with." (Ottawa dispatch to Commercial and Financial Chronicle, Oct. 15.)

## Taxation

In a letter to Senator Lenroot, Otto H. Kahn says: "The man of small means ought not, and as a general rule will not, and savings banks and life insurance concerns, etc., do not, and indeed under the laws must not, place funds otherwise than in seasoned investments. The capital which can afford to take, has an incentive to take, ought to take and heretofore has taken, the risk of starting and financing new enterprise and doing the pioneer work of the country, is that relatively small percentage of the Nation's total capital which is represented by the surplus funds of corporations and of well-to-do individuals. That is a most valuable function for the nation, and that function has been woefully crippled by the existing surtaxes, both because they have prevented the accumulation of capital and because they have taken away the incentive to venturing and risk-taking. The source of the supply of funds for pioneering and for developing the country has run dry under the withering action of those taxes. It will so continue until surtaxes are reduced to an adequate extent." (Wall St. Jour., Oct. 17.)

## Wool

1. President Wood, of American Woolen Company, states that the company plants never were in better position than now, especially with reference to loomage, which is 96 per cent active. (Jour. of Commerce, Oct. 17.)





- Wool      2.      Cables in from the wool auction in Adelaide, Australia, Oct. 17 state that the market there was very strong and even excited at times, with prices fully 20 per cent above the closing rates of the last sales. England and America were the principal buyers. (Jour. of Commerce, Oct. 18.)

---

### Section 3.

#### Department of Agriculture

"Secretary Wallace has performed a useful act in sending two experts of the Department of Agriculture to Europe 'to develop methods and sources for securing crop and market information in those countries and to arrange for sending it more promptly to the United States.' Such information is much desired. The Department of Commerce has a well-organized force in Europe and these men should be made use of at least in assembling the information and transmitting it to this country. And may we respectfully suggest that crop reports be translated into bushels, instead of being sent out as 'quarters,' 'centals,' 'kilos,' or 'poods;' that acreage may be indicated in acres and not in 'hectares,' ... and that price quotations be in specific U. S. equivalent and not in pounds, francs, lira and marks." (American Elevator and Grain Trade, Oct. 15.)

---

### Section 4.

#### MARKET QUOTATIONS

#### Farm Products

Oct. 18: Wheat prices dropped to a new low level on crop caused by selling induced primarily by weakness in Northwest. Large export flour business had little effect. There was good corn buying at times but undertone not strong. Better demand for cash corn. Chicago December wheat closed at \$1.05 3/8; Chicago December corn unchanged at 46¢. In Chicago cash market No. 2 red winter wheat \$1.13; No. 2 hard winter wheat \$1.03; No. 2 mixed corn 45¢; No. 3 white oats 30¢. Average price paid farmers in Central Kansas for No. 2 hard winter wheat 95¢; average price to farmers in Central North Dakota for No. 1 dark northern wheat \$1.08 1/2; average price to farmers in Central Iowa for No. 2 mixed corn approximately 30¢.

Chicago hog market opened lower, bulk of sales \$7.15 to \$8.40. Desirable corn-fed steers and yearlings steady, others slow to lower; medium and good beef steers \$6.15 to \$10.85. Light and medium weight veal calves \$6 to \$11.75. Fat lambs \$7.50 to \$8.85.

Potato shipments continue over 2,000 cars daily. Markets heavily supplied, prices lower. New York Round Whites at shipping points \$1.85 sacked per 100 lbs; Northern Round Whites \$1.70 to \$1.85. New York Baldwin apples at shipping points \$6.25 to \$6.50 per bbl. New York Danish type cabbage at shipping points \$30 per ton bulk. Spot cotton prices declined, closing at 18.44¢ per lb. New York October future also lower at 17.90¢. (Prepared by Bur. of Mkts. & Crop Est.)

#### Industrials and Railways

Oct. 18: Average closing price 20 industrials 69.81, as compared with 84.60 corresponding day 1920; average closing price 20 railroad stocks 70.60, as compared with 83.85. (Wall St. Jour., Oct. 19.)

---





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 17.

Section 1.

October 20, 1921.

**Rail Situation** "With President Harding and several members of the Cabinet, whose official duties made them particularly interested in developments, absent from Washington, there was no announcement of further initiative by the Government. The Interstate Commerce Commission also maintained silence regarding reports that the tentative program of the Chicago conference would include provision for a reduction in railroad freight rates in proportion to the July cut in railroad wages." (Assoc. Press, Oct. 20.)

---

**A. F. B. F. Suggests Repeal of Railroad Acts** The suggestion that certain provisions of the Adamson act and of the Esch-Cummins railroad bill were impeding "a prompt return to normalcy in railway rates and service" was made to Chairman Cummins, of the Senate Interstate Commerce Committee by the American Farm Bureau Federation, which served notice that "we will move at an early date for the repeal of these two measures, in whole or in part." The federation plans to file to-day with the Interstate Commerce Commission a petition asking "immediate reduction in rates on basic commodities of from 10 to 20 per cent," the letter to Mr. Cummins said, adding that the petition would be accompanied by a request for "reflection of all reductions of operating expenses in lower rates until the freight advance since August, 1920, is eliminated." (Assoc. Press, Oct. 20.)

---

**Tax Revision Bill** After a prolonged technical discussion the committee amendment to the revenue bill, under which it was estimated the Treasury would receive taxes on about 85 per cent on the earnings of "close" corporations accumulated prior to March 1, 1913, was rejected by the Senate October 19. Much of the day's discussion was devoted to an attack on the provision of the bill which would exempt from taxation that part of the income of foreign traders and foreign trade corporations derived from sources outside of the United States, the subject going over until to-day. Minority Leader Underwood charged that none but the Treasury experts understood the provisions of the pending bill, and declared it to be "the worst ever presented to Congress." Senator Moses attacked the compromise amendments forced by the agricultural "bloc." He indorsed the Smoot sales tax proposed substitute and declared that the committee bill "plainly was drawn under the inspiration of the slogan 'Soak the rich.'" (Press of Oct. 20.)

---

**Banks Able to Help Farmers** Eugene Meyer, Jr., Managing Director, War Finance Corporation, October 19 told the House Committee on Post Offices and Post Roads that the banking system of the country should be able to care for the loan needs of the agricultural interests after next July 1. (Press, Oct. 20.)

---





Reserve Board  
Criticized

The Federal Reserve Board, "as the very core of the business of the country," should give an example in rigid economy instead of standing as an instance of wild extravagance, John Skelton Williams, former Comptroller of the Currency, asserted Oct. 19 in a letter to Chairman Anderson, of the Congressional Joint Commission of Agricultural Inquiry. The letter was in the form of a reply to that of Governor Harding, of the Federal Reserve Board, defending the salary schedules of certain reserve banks. (Press of Oct. 20.)

Governors Urge  
Rail Law  
Amendment

Repeal of clauses in the Cummins-Esch transportation act directing the Interstate Commerce Commission to fix freight rates on a basis that will give the railroads a 6 per cent return on their valuations was urged in a resolution adopted by the conference of Middle West governors at its closing session at Des Moines October 19. Guaranteeing the railroads a fixed return is unwise and uneconomic, the conference declared. Resolutions were adopted asking a "substantial reduction" in present freight rates, advocating congressional action to remove doubt as to State jurisdiction over State railroad rates and services, urging reduction of Federal reserve bank discount rates in agricultural districts, indorsing the movement for limitation of armaments and asserting that the government of the United States should collect the interest on its foreign loans annually. (Assoc. Press, Oct. 20.)

## Section 2.

Agricultural 1.  
Loans

The Board of Directors of the War Finance Corporation October 18 considered the sugar beet situation in the West, at a meeting attended by the chairman of the Agricultural Loan Agencies of the War Finance Corporation in Utah, Idaho and Colorado, and representatives of the sugar beet industry. As a result of the meeting the representatives of the sugar beet industry decided to apply to the War Finance Corporation through a financial corporation in Utah which will make loans to sugar companies to the extent of the advances of such companies to sugar beet growers. It is expected that advances will be made by the War Finance Corporation up to a total of \$10,000,000. (W.F.C. press statement Oct. 18.)

2. Approval of a loan of \$1,000,000 to a financial institution for credit extensions on live stock in Montana and Wyoming was announced October 19 by the War Finance Corporation. The corporation also announced establishment of an agricultural loan agency with headquarters in Detroit with William J. Gray, of Detroit, as chairman. (Press of Oct. 20.)

## Canning

"The National Cannery Association has recently presented arguments to the National Bureau of the Budget and also to the Secretary of Agriculture indicating their belief that sufficient funds should be appropriated for thorough investigation of any important problems pertaining to the canning industry. Such research is of fundamental importance. In any consideration of the question of stabilizing the markets for agricultural products, the canning industry looms large, because in a peculiar way it changes perishable foods into non-perishable." (Orange Judd Farmer, Oct. 15.)

THE JOURNAL OF THE

AMERICAN MEDICAL ASSOCIATION

PUBLISHED WEEKLY

CHICAGO, ILL., U.S.A.

VOLUME 10

NUMBER 1

JANUARY, 1917

PRICE, FIVE CENTS

Subscription price, \$5.00 per annum in advance

Single copies, 15 cents

Entered as Second-Class Matter, June 26, 1902

Postpaid

Acceptance for mailing at special rate of postage provided for in Act of October 3, 1917

Authorizes sale at special rate of postage provided for in Act of October 3, 1917

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid

Postpaid



Cost of  
Living

Based on statistics for 32 cities, the cost of living in the United States decreased 1.7 per cent from last May to September and 18.1 per cent from June 1920 to September, according to figures announced October 19 by the Bureau of Labor Statistics. The figures showed the cost of living in the country in September to be 77.3 per cent higher than the average for the year 1913. The increases were itemized as follows: Food, 53.1 per cent; clothing, 9.2 per cent; housing, 60 per cent; fuel and light, 80.7 per cent; furniture, 14.7 per cent, and miscellaneous, 107 per cent. (Press, Oct. 20.)

## Farm Wages

A recent survey by the Minnesota Farm Bureau Federation shows average monthly wages have declined 16 per cent since the beginning of the 1921 harvest season. The average monthly wage, with board, where employment is permanent is about \$34. For day labor the average is about \$1.98 a day. (Press of Oct. 19.)

Freight  
Rates

1. Oral argument will be heard by Division 2 of the Interstate Commerce Commission November 15 on the application of rate and minimum weight on live stock in mixed carloads. (Press, Oct. 19.)
2. Sharp reductions in the ocean freight rates, effective at once, on various commodities exported from North Atlantic ports to the British Isles are announced by the lines in the British North Atlantic freight conference in consequence of rate-cutting recently started by the United States Navigation Company and the American Metal Transport Company. The reduction applies on virtually all freight. The new rates are for the remainder of the year. (Press, Oct. 19.)

North Dakota's  
State Bank  
Closed

The state-controlled Bank of North Dakota, Governor Frazier and other officials of the State and the bank, October 19 were under injunction not to receive deposits of public or private funds in the bank, under the terms of a temporary order by Judge J. A. Coffey in Statesman county district court, served on the governor October 18. The injunction was issued on a petition of a number of taxpayers in the vicinity of Jamestown, N.D., alleging that the bank is insolvent. Hearing on a permanent order was set for November 3. (Assoc. Press, Oct. 19.)

Packer  
Employees  
Vote Strike

Eighty-five per cent of the packing plant employees of Omaha, who voted in the recent strike referendum, favored authorizing the Executive Board of the Amalgamated Meat Cutters and Butcher Workmen of North America to call a strike in the packing industry if such action is deemed necessary to protect interests of the employees, according to J. W. Burns, secretary of the union's District Council, No. 5. (Assoc. Press, Oct. 20.)

Trade  
Relations

A commission representing the Southern Commercial Congress will sail from New York April 14, for Riga and thence will make a tour of Austria, Hungary, Czecho-Slovakia, the Mediterranean, France and Germany, according to an announcement of T. R. Preston, president of the Congress. Each of sixteen Southern States will have two delegates in the party. The tour is for the purpose of seeking closer relations with buyers of Southern staples in European markets and aiding the War Finance Corporation in facilitating export of low-grade cotton to Europe. (Press, Oct. 16.)





Waterway  
Transportation

"Liverpool can be brought to within 4,000 miles of Minnesota instead of 11,000 miles - figuring these distances not as miles but on a freight rate basis," Charles P. Craig, executive director of the Great Lakes-St. Lawrence Tidewater Association, told delegates to the recent Minnesota waterways congress. Wheat, Mr. Craig said, could be shipped to Odessa, Russia, for the same cost it now is to Liverpool. The saving would be 7 to 8 cents a bushel to Liverpool." (Commercial West, Oct. 15.)

Women's Farm  
Organization  
Meeting

The date of the first meeting of the Woman's Committee of the American Farm Bureau Federation has been changed from Oct. 26 to Oct. 21. The meeting will be held in Chicago, and will determine the position women will occupy in the federation, and outline the program for their activities, to be presented at the annual convention of the federation, at Atlanta, Ga., Nov. 21-23. (A. F. B. F. Weekly News Letter, Oct. 13.)

### Section 3.

Department of  
Agriculture

1. "The Market of Europe Must be Studied" is the title of an extensive editorial in The Iowa Homestead for October 13 which says in part: "The American farmer is interested in world markets. The farmer back in the most remote county may find the prices of his surplus products influenced by crop conditions in a distant country or in another hemisphere. He is interested in the wool clip of Australia, in the beef of the Argentine, and in the wheat of Canada. So rapidly revolutionized is commerce becoming, and so closely knit together are the widely separated producing areas, that with modern methods of transportation the world is becoming more than one great neighborhood. ... Uncle Sam has just been a little bit slow, compared with some other countries, in appreciating the necessity of keeping his farmer nephews informed as to what workers in foreign fields are producing. However, work looking to better information along these lines is now under way. For instance, within the month two agents of the American Government left for Europe to develop sources of agricultural information. It is the purpose of the Department of Agriculture to develop a service of which the work of the men referred to is only a small part and which will afford information concerning conditions in foreign countries that will be of direct financial advantage to our producers here at home. ..."

2. "Nitrate should go down, not up. No excuse for present upward trend in prices, in face of vast surplus of war stocks. Why does not the United States Department of Agriculture turn a flood of light on this latest attempt to extort high prices of nitrate from domestic producers and consumers of fertilizers? With declining values for farm products, nitrate must and shall decline likewise, especially now that such a large surplus of it exists." (New England Homestead, Oct. 15.)

3. In a review entitled "The Obverse Side," by McCreedy Sykes, Commerce and Finance for October 19 presents an extensive and derisive comment on the publications of the department. This says in part:





" Lest the public grow forgetful of the splendid work being done by the army of Government experts in the Department of Agriculture, we again take pleasure in recording briefly a little of the contemporary output. Three Government documents are before us, an infinitesimal part, of course, of the great volume of Government publications; we select these because the Government itself recognizes in them a certain timeliness and urgency, it having marked them 'Release - Immediate.' ... The first advises an impatient world that 'Lobo, Notorious Cattle Killer, Succumbs to Hunter's Rifle.' ... The next publication, also based on 'a statement just issued by the Biological Survey of the United States Department of Agriculture,' announces that it will be unlawful to hunt ducks in the State of Maryland and elsewhere with a boat equipped with an engine. We don't know why Maryland was picked on for special mention. ... The statistical masterpiece of the week tells about automobile travel. ... The research and statistical work made available by this great document was carried on by the young men and women of 'the Bureau of Public Roads, United States Department of Agriculture,' favored, we trust, with a special appropriation. People not in close touch with the great work of the Department will be astonished at the result of its researches. ... "

#### Section 4.

#### MARKET QUOTATIONS.

##### Farm Products

Oct. 19: Wheat active and advanced about 3¢ early but when buying ceased prices sagged to new low on crop. Country corn offerings much lighter and indications are for smaller receipts. Chicago December wheat closed lower at \$1.03 5/8; December corn lower at 45 1/2¢. In Chicago cash market No. 2 red winter wheat closed at \$1.11; No. 2 hard winter wheat \$1.02; No. 2 mixed corn 45¢. Average price paid farmers in Central Kansas for No. 2 hard winter wheat 95¢; average price to farmers in Central North Dakota for No. 1 dark northern wheat \$1.02 1/4; average price to farmers in Central Iowa for No. 2 mixed corn about 30¢. Chicago hog market closed weak, bulk of sales \$7.10 to \$8.20. Heavy rough packers almost unsalable. Butcher cows and heifers \$3.50 to \$9.50; fat lambs steady to 25¢ lower at \$7.25 to \$8.60; fat ewes \$3. to \$5. Potato markets generally steady for New York and Northern Round Whites; slightly weaker for Maine varieties. Round Whites slightly stronger at shipping points at \$1.95 per 100 lbs. sacked; Main Green Mountains steady at shipping points at \$1.31 to \$1.41 per 100 lbs. bulk. New York Baldwin A 2 1/2 apples steady at shipping points at \$6.25 to \$6.50 per bbl. Heavy hay arrivals and advices of large country loadings broke timothy prices in Chicago \$1.50 per ton with fairly active trading at the decline. Most markets steady with offerings well absorbed. Spot demand for feeds unimproved. Butter markets showing signs of weakening under present high prices. Cheese markets firm. Spot cotton prices advanced slightly, closing at 18.46¢ per lb. New York October future also higher at 18.25¢. (Prepared by Bur. of Mkts. & Crop Est.)

##### Industrials and Railroads

Oct. 19: Average closing price 20 industrials 70.21 as compared with 85.26 for corresponding day 1920; average closing price 20 railroad stocks 71.14 as compared with 83.90. (Wall St. Jour., Oct. 20.)

100-443887-100



# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 18.

Section 1.

October 21, 1921.

**Rail Situation**                Efforts by the Railroad Labor Board to avert the threatened railroad strike through conference with heads of the five unions which have ordered a walkout effective October 30, failed when the meeting adjourned October 20 with the announcement by the board that "while the discussions were beneficial, no definite results were obtained." (Assoc. Press, Oct. 21.)

---

**Freight Rates**                Associated Press to-day states it is announced that "Interstate Commerce Commission freight rate decisions in regard to hay, grain and lumber are imminent."

---

**Strike Settlement**                Referring to the railroad strike situation, The New York Times says in an editorial to-day: "Various palliative and make-weights have been suggested. It is reported that the Interstate Commerce Commission is about to order a lowering of certain freight rates. This is described as a solatium for the railroad unions. But it ought not to be represented as anything of that kind. The two cases stand entirely apart. Appeals for reductions in freight rates have been pending before the Interstate Commerce Commission for some time. The railroads have on their own motion cut down certain rates, and are understood not to oppose further reductions. These may be announced at any moment, but it ought to be made absolutely plain to all that they have nothing whatever to do with railway wages or with the threatened strike. The Labor Board has no jurisdiction over freight rates. With wages the Interstate Commerce Commission has no power to deal. The functions are separate, and their workings must be kept distinct. What the public interest requires, what future ease of mind and security demand, is that the strike should be settled by being called off - called off because it was recklessly ordered, because public opinion has been arrayed against it irresistibly, and because the Government has stood firmly for the supremacy of the law of the land."

---

**Tax Bill**                      After two days' argument the Senate October 20 voted to strike from the tax revision bill House provisions defining foreign traders and foreign trade corporations, which under other sections of the measure yet to be acted upon would be exempted from taxation on income received from sources outside of the United States. During the discussion yesterday Senator Edge declared himself in favor of the Smoot manufacturers' sales tax plan. He declared that in addition to keeping the surtax maximum rate down to 32 per cent and repealing the excess profits tax, he would do away with every one of the so-called excise taxes and nuisance taxes. (Assoc. Press, Oct. 21.)

---





### Railway Profits and Regulations

"The Middle West governors and the 'agricultural bloc' are like-minded in the belief that railways are the enemy of their part of the country. Also, both of them think that statutes over them can prevail over the constitution in matters affecting the whole country. The conference of Middle West Governors adopted on Wednesday resolutions favoring the repeal of what they consider the 'guarantee' of undue profits to the railways in the Transportation act and 'Congressional action to remove doubt as to State jurisdiction over State railroad rates and services.' Legislation in that sense is already pending. It ought to be unnecessary so often to deny that the railways have any guarantee of any profits, but the delusion of the governors compels repetition. The most extreme interpretation of the Transportation act is that the railways may earn what they can from rates prescribed for them, and which so far have realized a small fraction of the nominal maximum which the governors regard as a 'guarantee.' ... The railways are suffering with the farmers, and both are suffering undeservedly. But there is this difference in their cases - the farmers' misfortunes are due to events almost uncontrollable, whereas the railways' misfortunes are the result chiefly of intention. This appears from the remedies for the farmers' troubles proposed by both the governors and the agricultural bloc. The American Farm Bureau Federation asks Congress for the repeal of the Transportation act. Representative Dowell of Iowa has introduced a bill providing that the Interstate Commerce Commission 'shall of its own initiative,' and within thirty days, reduce rates on agricultural products 25 per cent. Representative Sweet of Iowa has introduced a bill giving the states control over what they consider to be state rates. And this idea has been endorsed within the week by the National Association of Utilities Commissioners in convention at Atlanta, representing forty-seven states - all but Delaware. It is clear that such laws are intended to upset the methods of regulation practiced since 1887. ... A mandate to the Interstate Commerce Commission is destructive of its initiative and substitutes an edict for due process of law. The relation of interstate to intrastate rates cannot be fixed by statutes of either states or Congress. It is settled by the Constitution, interpreted by the Federal Supreme Court. If the agricultural bloc and the Middle West governors could have their way, they would make transportation conditions in this country like those in Europe, where so many new political jurisdictions have been created that in a journey no longer than from New York to Chicago it is necessary to stop trains for five customs inspections of passengers and freight. If forty-eight states could make transportation rates, there might be no national commerce or travel." (N. Y. Times, Oct. 21.)

### Section 2.

#### Agricultural Loans

The War Finance Corporation announces the approval of the following advances: \$500,000 to a bank in Georgia on export cotton; \$20,000 to a bank in Georgia on agricultural loans; \$65,000 to a financial institution in Texas on live-stock loans; \$21,500 to a bank in Texas on live-stock loans; \$42,000 to a bank in Texas on live-stock loans. (W.F.C. press statement, Oct. 19.)

#### Canners Aid Sought in Packers Case

A special committee has been appointed by the National Wholesale Grocers' Association of the United States to urge wholesale grocers to discuss the packers' consent decree fully with individual canners, and October 19 urged the grocers to redouble their efforts to make clear the issue to the canners in a statement which says in part: "The subtle propaganda of the meat packers blaming all the after-war troubles of the canner on the wholesale grocer and the consent decree has, contrary to all reason, won over some of the canners. ..."

(Jour. of Commerce, Oct. 20.)





## Cotton

"The next report of the Bureau of the Census on ginning will be issued on Tuesday of next week, showing the amount of cotton ginned prior to Oct. 18 - that is to close of business October 17. ... Very conflicting or confusing reports have been reaching the trade in this connection. One of the first of them was that another condition or crop report would be issued in connection with the ginning figures. This was quickly followed by a denial that any further report would be compiled by the Bureau of Crop Estimates until the final estimate of the yield which is scheduled for publication on December 12. Then the story was that the Bureau of the Census would publish an estimate of the amount remaining to be ginned after October 18, but as we understand it, if any action is actually taken, it will be merely the republication of the end-September yield indication, which of course would add absolutely nothing to the general fund of information regarding the probable crop. In any event, the trade would very quickly make the proposed comparison for itself, but it is possible the official republication of the forecast as of September 25 would have a tendency to minimize the effect of the ginning returns should they prove as difficult to reconcile with estimates of below 8 million bales as is evidently apprehended in some quarters. The largest percentage of the total crop ever ginned to October 18 was 64.3 in 1916." (Commerce and Finance, Oct. 19.)

## Farm Bureau

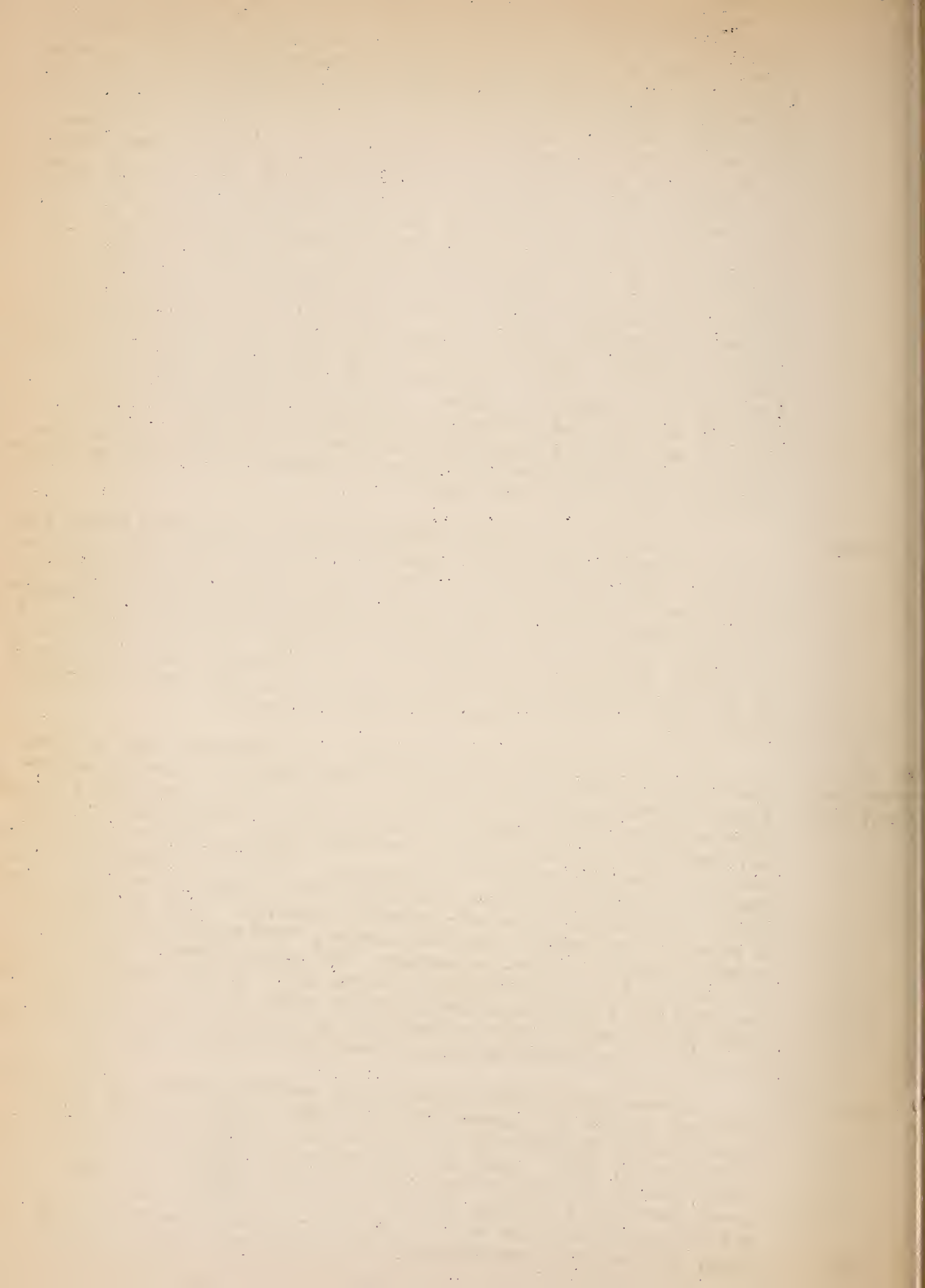
In an editorial entitled "Sound Business" Orange Judd Farmer for October 15 says: "The day for which the farm bureau has been built is now here. The biggest job for the friends of the American farmer is to work out and help put into practice those better methods of management, and more efficient means of production, which will make him able to compete with any food producer in the world. After all else has been done, efficient production is the final answer. The farm bureau is the finest machine ever built for doing this job, and in carrying on the work it will be abundantly worth its cost."

Food  
Consumption  
Advertising

An editorial in The Iowa Homestead for October 13 says in part: "Last week the Des Moines Chamber of Commerce held a meeting to consider the practicability of starting a state-wide or possibly a nation-wide campaign for the purpose of increasing the consumption of corn. ... Dean C. F. Curtiss, of the Iowa State College, was present at the meeting where this matter was discussed. It was his opinion that some good might result from such a campaign, but thought it would be a much better plan to put on an eat-more-meat campaign. 'Every time you eat a pound of beefsteak,' said Dean Curtiss, 'you consume what it has taken 15 pounds of corn to produce. Man cannot compete with the steer and the hog in the consumption of corn. ...' In our opinion there is no doubt but a vigorous campaign urging every one to eat more meat would have a much greater effect upon the price of corn than would an attempt to urge people to use more corn in the human diet. ..."

Foreign  
Trade

Announcement is made to-day by the American Section of the International Chamber of Commerce that the second annual meeting of the International Chamber will be held in Rome, Italy, during the week of September 18, 1922. Among the subjects which are to be studied by the International Committees are: export credits, foreign exchange, reciprocal treatment of foreign banks, bills of exchange, economy of fuel, international bureau of statistics, international commercial arbitration, international protection of industrial prosperity, unification





of tariff nomenclature, reciprocal treatment of commercial travelers, reform of the calendar, through freight trains on great international traffic routes, uniformity of ships' tonnage measurement, combined rail and ship bill of lading, uniform ocean bills of lading, uniform interpretation of meaning of trade terms, and uniform passport regulations. (Ch. of Commerce of U.S. press statement, Oct. 21.)

**Grain Purchases of Germany** Hugo Meyer of Dusseldorf estimates Germany's grain purchases this year at 50,000,000 to 75,000,000 bushels, against 111,000,000 last year. Europe's harvest of wheat and rye are bigger and Germany's stocks are sufficient for six months. No large grain orders will be placed at any one time. A ton of American wheat costs Hamburg millers over 6,000 marks, against 150 before the war. Live-stock resources are increasing. (Wall St. Jour., Oct. 18.)

**Grain Transportation** "Grain shipments from Lake ports and rail heads to Philadelphia and Baltimore have assumed such proportions during the past three days in anticipation of a strike that unless bottoms rapidly become available there is a strong likelihood of again invoking the permit system, whereby shippers have to present evidence of cargo space before the railroad will accept the shipment." (N.Y. Commercial, Oct. 20.)

**Milk Distributors' Wages** About 11,000 milk-distributing employees in New York City threaten to strike November 1, when their contract with the New York Milk Conference Board expires. They demand an increase in wages and modifications of contract. Drivers minimum wage now is \$35 and often runs above \$65 a week. (Wall St. Jour., Oct. 18.)

The New York Milk Conference Board, composed of the leading milk distributors in the metropolitan district, October 20 sent to the Milk Drivers' Unions in New York City, Jersey City, Mount Vernon, Newark and Passaic, a proposed new contract to be effective at the expiration of the present agreement on November 1, providing for a wage reduction of 15 per cent for outside workers and 10 per cent for inside workers. The unions had previously submitted to the distributors a new contract calling for a flat increase of \$5 a week for the some 11,000 workers. (N.Y. Times, Oct. 21.)

**Rice Export** Japan, which exported rice to America before the war, is now going to bring American rice into Japan, a rice-producing country, according to the manager of a trading house in Tokyo. American rice can be laid down in Yokohama c. i. f. at one-half the present market price of Japanese rice, according to this dealer. Upward of 6,000 tons of California and Texas rice has already been contracted for import. (Tokyo cable to Phila. Ledger, Oct. 21.)

**Rice Financing** The California Rice Growers' Association has prepared a contract with the banks for the purpose of financing the rice crop. The Sacramento Clearing House has agreed to establish a revolving fund of \$200,000 to assist the growers. This would be advanced at the rate of 20 cents a sack, to cover expenses of harvesting. It will be necessary for 70 per cent of the growers in the association to sign the contract. The rice crop is in good condition. An average yield of about 25 bags an acre is predicted. (San Francisco dispatch to Press, Oct. 20.)





## Wool

"Analysis of conditions in the wool market suggests that the industry has hit bottom and now is well on the road to recovery. Prices, which for almost fourteen months had been declining steadily, now are beginning to strengthen, consumers in a number of instances being forced to offer premiums for the fine grades. Demand is also more active than in many months, the pressure to buy wool being quite pronounced. The greatest activity is in medium-grade staples, bearing out the opinion recently expressed by us that the demand of the consumer for moderate-priced fabrics could be met only by a greater use of medium and crossbred wools." (Standard Daily Trade Service, Oct. 19)

Wool  
Marketing

Almost twice as much wool was pooled by farmers this year as in 1920, according to reports of the wool-marketing department of the American Farm Bureau Federation. The wool pooled this year amounted to 27,093,466 pounds, as against 14,750,000 pounds last year. Twenty-one states are now cooperatively marketing wools, an addition of 11 states since last year. (A.F.B.F. weekly news letter, Oct. 13.)

## Section 3.

## MARKET QUOTATIONS.

## Farm Products

Oct. 20: Wheat prices advanced 3¢ early but when buying ceased prices sagged to around yesterday's close. Milling and flour demand reported fair. Chicago December wheat closed at \$1.04; Chicago December corn 45¢. In Chicago cash market No. 2 red winter wheat \$1.12; No. 2 hard winter wheat \$1.02; No. 2 mixed corn 45¢. Average price to farmers in Central Kansas for No. 2 hard winter wheat 90¢; average price to farmers in Central North Dakota for No. 1 dark northern wheat \$1.03; average price to farmers in Central Iowa for No. 2 mixed corn 30¢. Chicago hog market lower, bulk of sales \$7.10 to \$8.10. Cattle trade extremely dull with prices weak and unevenly lower; medium and good beef steers \$8.25 to \$10.65. Fat lambs steady to 25¢ higher at \$7.50 to \$8.50. New York and Chicago potato markets slightly weaker for Round Whites; other cities steady to strong. New York Round Whites up 10; at shipping points at \$1.95 to \$2.05; Northern Round Whites \$1.65 to \$1.80. New York Baldwin apples A 2 1/2 steady at shipping points \$6.25 to \$6.50 per bbl. Butter markets showing signs of weakening. Cheese markets firm. Demand for held cheese growing; fanciest grades selling at 1/2 to 1¢ over fresh. Hay receipts good. No improvement in spot demand for feeds. Spot cotton higher at 18.75¢ per lb. New York October also higher at 18.50¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and  
Railroads

Oct. 20: Average closing price 20 industrials 70.77, as compared with 64.65 corresponding day 1920; average closing price 20 railroad stocks 71.73, as compared with 83.27. (Wall St. Jour., Oct. 21.)





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 19.

Section 1.

October 22, 1921.

### Rail Situation

The Government October 21 moved to prevent a railroad strike and to enforce obedience by both unions and roads of decrees of the United States Railroad Labor Board, the board formally announcing that it had assumed full jurisdiction in the rail crisis and ordering the workers not to strike pending a conference of union heads and rail chiefs, which it called for October 26. A decision from this conference will not be announced until after October 30, the scheduled strike date, board members said, declaring that in this way a walkout would be averted unless the unions defied the board's orders not to strike pending a ruling. The action was taken following receipts from Washington of information that every interested branch of the Government would back the board in its attempts to settle the rail difficulties, members declared. (Assoc. Press, Oct. 22.)

### Rail Labor Board's Authority

The Railroad Labor Board's announcement October 21 came as one of the most sensational developments in the rail crisis since the "big five" unions let it become known that they were formally sending out authorization for a strike. It was issued virtually without warning and at a time when the consensus had been that this governmental agency had met an impasse in its attempts to settle the crisis when its conference October 20 with union chiefs was adjourned with the announcement that no results had been attained. Coming as the first instance where the board so decisively expressed authority which many railroad and labor men had maintained it did not possess, the board's action found most of the interested leaders too astounded to comment. (Assoc. Press, Oct. 22.)

### Emergency Preparations

The New York Times to-day says in a lengthy editorial under the title "A Lead for the Country": "Another lead which the Administration might wisely give to the country is an exhortation to make every preparation to resist and defeat the strike if the mad order calling it is not canceled. ... From Secretary Hoover has come the announcement that a plan has been worked out by the Department of Commerce to mobilize all its resources in order to maintain especially the food supply. We need more such official directions and encouragements. ... Let it be demonstrated in advance that the country is not helpless before the menace of a general railroad strike, which is certain to be a disastrous failure if attempted. No one will be quicker to see the point than the strikers. If they know that they are bound to be beaten, they will not begin. ... But the people need a lead and are looking for leadership. ..."





Schwab Advocates      "There is only one way of getting down to real business,  
Abolishing      there is just one thing to do before we get anywhere, and that  
Labor Board      is to reduce freight rates," Charles M. Schwab, head of the  
Bethlehem Steel Corporation, said in Chicago October 21. Mr.  
Schwab declared himself in favor of abolishing the Railroad Labor Board, "because it  
is the cause of too much duplication of effort." He said: "My plan is to repeal the  
Adamson law and the amendment of the Transportation Act. The Interstate Commerce  
Commission, which fixes railroad rates, should be the body that would control the  
fixing of wages. This section of the Transportation Act, which created the Labor  
Board should be repealed." (Phila. Ledger, Oct. 22.)

Strike Threat      That the impending railroad strike was merely a threat and  
Discounted      would not take place was the opinion of several speakers last  
night at the meeting of the New York Railway Club, Colonel Charles  
Hine of the New York, New Haven & Hartford Railroad said that the brotherhoods were  
getting a demonstration of the power of public opinion against a class of skilled  
men who were beginning to consider themselves supermen. "The brotherhood will not  
be able to get away with it," said Colonel Hine. "The American people are waking up  
and are beginning to get out of the idea that public ownership would be the best  
thing for the railroads." (N.Y. Times, Oct. 22.)

## Section 2.

Agricultural      The War Finance Corporation announces it has approved three ad-  
Loans      vances to banks in Iowa on agricultural loans for \$25,000, \$15,000  
and \$10,000, respectively. (W.F.C. press statement, Oct. 21.)

Business      "The possibility of a widespread railroad strike was not without  
Conditions      influence on business this week, but caused no conspicuous disturbance.  
While requests to expedite shipments of goods under order were made in  
some instances, there was no general anxiety regarding supplies of  
merchandise, and forward demands were not appreciably affected. The  
prospect of lower freight rates is entering into calculations, but  
the disposition to defer commitments pending developments in this con-  
nection is manifested in comparatively few quarters. Despite existing  
uncertainties and retarding factors, the commercial revival is making  
gradual progress, and the slowly rising trend of production continues  
in evidence." (Dun's review for Oct. 22, quoted in N.Y. Times, to-day)

Cooperative      In an editorial entitled "Cooperation on Trial," Michigan Busi-  
Marketing      ness Farmer for October 15 says: "The recent charge of a speaker for  
the grain dealers that the pooling scheme of the United States Grain  
Growers, Inc., has fallen through, coupled with the undoubted fact  
that the plan has not met with the cordial response which its sponsors  
hoped for, brings into question the present status of the cooperative  
movement in this country, and what its ultimate fate may be expected  
to be. It is folly to deny the truth. A lot of farmers have lost  
faith in cooperation and a lot more are wavering 'twixt hope and doubt.  
The reasons for this are many. One of them is they expected too much  
in a short period of time. ... The failure of cooperation to come up  
to the expectations of the farmers is largely the fault of the times.  
The period... has been particularly disastrous to the cooperatives  
because in many instances the managers were inexperienced men who  
could not be expected to know what course to take when men long years





in the business were themselves at a loss. Coincidentally prices of farm products have dropped and thoughtless farmers have either laid the blame at the door of their organizations or criticized them for doing so little to steady the markets, when, as a matter of fact, no human power could have entirely prevented the collapse. ... Had the present cooperative movement, the greatest in all American history, been attempted just before the war all would have been different. ..."

Cooperative  
Marketing

2. The editor of The Southern Cultivator recounts, in the issue for October 15, an interview he had with the head of the L. W. Rogers Co., of Atlanta, regarding the sale of Georgia farm products. He says: "Mr. Allen said that the farmers have got to get together and form associations to sell their products. We suggested that the farm bureau was being organized and that it hoped soon to have an agent in every county to market anything that the farmers had to sell. Here Mr. Allen put in: 'That is all politics. What the farmers should do is to organize local business associations in every community, and get the merchants and bankers to join in with them. Their interests are all identical. The banker should finance any farm product according to its market value and the quantity grown by his constituents. The merchant should classify his product - see to it that it is put up in good merchantable shape and find the best market for it. The farmers cannot do all this. They do their share in producing the goods.' "

Farm-Loan  
Bond Business

Enormous business in joint stock land bank bonds in the next five or ten years was forecast in Philadelphia October 21 by W. W. Powell, secretary, American Association of Joint Stock Land Banks. Mr. Powell said the two types of farm loan banks - the Federal and the Joint Land - were different. The former, he said, is a cooperation affair, while the latter is a corporation, the stockholders buying the shares in the expectation of receiving dividends. In the case of the Federal bank the farmers own the stock and are the borrowers, he said. Both types of farm bonds have come to stay, Mr. Powell said. He urged investment bankers to make a close study of the situation and of the values of the two issues. (Press of Oct. 22.)

Fertilizers

The outlook for fertilizer sales is much improved, with potash, nitrates, and other materials which enter into the products sold by mixing companies in larger demand. An important factor in the situation is the improved position of the cotton and tobacco planters. (Standard Daily Trade Service, Oct. 21.)

Freight  
Rates

Attacking the increase in freight rates recently authorized on road-building materials in Tennessee by the Interstate Commerce Commission, the State of Tennessee filed a bill in Federal court October 21 asking the court to pass upon the questions of whether or not the I.C.C. exceeded its jurisdiction in authorizing such an increase in rates within the State of Tennessee and further asks that the orders of the I.C.C. as of July 29 be declared null and void. (Press, Oct. 22.)

German  
Exports and  
Imports

Figures showing exports from Germany during July, which have been issued in Berlin, show an increase for that month over June, while imports were also increased. The value of exports in July was fixed at 6,208,000,000 marks, against 5,432,000,000 in June; while in July the imports were valued at 7,585,000,000, against 6,409,000,000 in the previous month. (Jour. of Commerce, Oct. 21.)





# Immigration Legislation

In an editorial entitled "Need Holeproof Immigration Laws," Farm and Ranch for October 22 says: "What is there about the immigration question which causes Congressmen to hesitate to vote their conviction when it comes to restrictions? Considering the numerous expressions of opinions on the subject during pre-election days, one is justified in presuming that not all Congressmen vote the way they talk, else our ports would have been closed to immigration long ago and an opportunity given to assimilate the hundreds of thousands of foreigners already within our borders. It so happens, however, that when the subject of restricting immigration, or stopping it altogether for a period of years, comes up for consideration, such pressure is brought to bear upon our Congressmen that they are either made afraid to vote their convictions or else there are other influences not generally discussed in public. ... Our latest legislation on this subject is not only of a temporary nature, but is full of loopholes. On the face of it, it is restrictive, but so many restrictions are made to its provisions that thousands of undesirables reach our shores and are given welcome. ... Although there is much uncultivated land in the United States, our production is greater than the demand, and the efforts of various societies to send these foreigners to the country should be discouraged ... "

# Living Costs

The average cost of living remained practically stationary during September, according to a statement issued October 21 by the National Industrial Conference Board. On October 1, 1921, it was 63.7 per cent higher than in July, 1914. Between July, 1920, when the peak was reached, and October 1, 1921, the cost dropped 40.8 points or 20 per cent. Food prices declined during the month, but clothing went up, and the cost of coal was greater in a sufficient number of cities to cause a slight rise for the country. (Press, Oct. 22.)

# Packer Employees' Strike

Completion of the strike vote in the packing industry taken by the Amalgamated Meat Cutters and Butcher Workmen was announced at Chicago, October 21, by C. J. Hayes, President. He said the poll stood 35,354 yeas and 13,490 noes. A conference of executive officers and representatives of allied crafts will be held here next week, Mr. Hayes said. A strike of packing house employees at the John Morrell Company plant at Ottumwa, Iowa, which began this week, Hayes said, was the most important strike in the industry since the war. He reported 1,000 men out. (Assoc. Press, Oct. 22.)

# Russia

"Lenin Confesses Economic Defeat" is the title of an extensive cable from Moscow dated October 19, to New York Times October 22. This says in part: "The real meaning of the new economic policy is that we have met a great defeat in our plans and that we are now making a strategic retreat," said Nikolai Lenin in one of the frankest admissions of the failure of his policies ever made by a leader of a great nation. 'Our defeat in the economic field, whose problems resemble those of strategy, though even graver and more difficult,' said the Soviet chief, 'is more serious than any we suffered from the armies of Denikin or Kolchak. We thought the peasants would give us sufficient food to insure the support of the industrial workers, and that we should be able to distribute it. We were wrong, and so we have begun to retreat. Before we are utterly smashed let us retrace our steps and begin to build on a new foundation.' "





## Section 3.

Department of 1. "Another good man has gone to Washington to represent the farmers  
Agriculture in the Department of Agriculture. He is Charles W. Pugsley, former editor of The Nebraska Farmer. Pugsley isn't a radical, but he is a progressive. He has rubbed elbows with farmers all his life, either by actual contact or through positions of an agricultural nature which he has held with the press and the college. A sympathetic nature coupled up with a broad understanding of farm problems should make Mr. Pugsley a valuable representative for the farmers in particular and the great American public in general." (The Michigan Business Farmer, Oct. 15.)

2. An editorial on "The County Agent's Status," in The National Stockman and Farmer for October 22, says: "In Department Circular 179 of the U.S. Department of Agriculture we find a paragraph concerning the 'relation of the county agent to cooperative business.' ... This official statement and one which preceded it are evidently brought forth by criticisms of certain activities of county agents contrary to the interests of sundry dealers. ... There is only one way to avoid such misunderstandings, and that is to make the county agent one thing or the other. The best system we know of is that which makes him purely a servant of the public, supported by public funds exclusively, and makes his counsel available to all, whether farmers or others. ... "

## Section 4.

## MARKET QUOTATIONS.

## Farm Products

Oct. 21: Wheat higher with market acting somewhat oversold as result of recent big downturn. Corn trade light and followed wheat. Chicago December wheat closed at \$1.08 1/8; December corn 47¢. In Chicago cash market No. 2 red winter wheat \$1.17; No. 2 hard winter wheat \$1.06; No. 2 mixed corn 46¢; No. 3 white oats 31¢. Average price to farmers in Central Kansas for No. 2 hard winter wheat 95¢; average price to farmers in Central North Dakota for No. 1 dark northern wheat \$1.05 1/2; average price to farmers in Central Iowa for No. 2 mixed corn about 31¢. Chicago hog market 10 to 25¢ higher, bulk of sales \$7.25 to \$8.25. Beef and butcher cattle generally steady. Medium and good beef steers \$5.85 to \$10.65. Fat lambs strong to 25¢ higher at \$7.50 to \$8.75. New York potato market slightly stronger; Chicago weak; other cities steady to firm. Round whites steady at shipping points at \$1.95 to \$2.05 per 100 lbs. sacked. New York Baldwin apples A 2 1/2 steady at shipping points at \$6.25 to \$6.50. Danish type cabbage at Massachusetts shipping points \$30 per ton bulk. Butter markets easy with unsettled undertone. Several cars of Canadian butter and a moderate shipment of Danish have arrived on Eastern markets during the week. Cheese markets firm. Trading on Young Americas light. Hay receipts generally light and well absorbed. Feed market better under increasing disposition to buy, induced by cooler weather and expected railroad strike. Spot cotton higher at 18.56¢ per lb. New York October future lower at 18.25¢. (Prepared by Bur. of Mkts. & Crop Est.)

Industrials and  
Railroads

Oct. 21: Average closing price 20 industrials 71.00, as compared with 85.06 corresponding day 1920; average closing price 20 railroad stocks, 71.53, as compared with 83.43. (Wall St. Jour., Oct. 22.)





# UNITED STATES DEPARTMENT OF AGRICULTURE

## DAILY DIGEST

A summary of news particularly of an economic character bearing upon the work of the Department, as obtained from the Library's daily accessions.

---

Prepared in the Library of the Department with the cooperation of the Director of Information (Office of the Secretary) and of the Bureaus.

---

Vol. III, no. 20.

Section 1.

October 24, 1921.

**Rail Situation**                      The prospective rail strike, scheduled for October 30, was limited to approximately one-fourth of the nation's railroad employees when officials of the Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, representing 350,000 men, voted October 23 not to authorize a walkout by their members for the time being. This action increased the number of major rail unions which have voted not to strike now to nine and the number of railroad employees bound by such action to about three-fourths of the country's total of approximately 2,000,000. (Assoc. Press, Oct. 24.)

---

**Federal Action**                      Federal action affecting the railroad strike situation was on Rail Situation taken Oct. 22 by two departments of the government when the Interstate Commerce Commission ordered freight rate reductions on grains, grain products and hay in the territory between the Mississippi river and the Pacific coast, and the Department of Justice issued instructions for the protection of the property of the International and Great Northern railroad in Texas where a trainmen's strike became effective at noon. The rate reduction is the most sweeping issued by the commission in several years, and on the commodities named, which constitute a heavy percentage of railroad traffic throughout the Western territory, amounts to one-half of the increases allowed in 1920. These were 35 per cent in the Western group territory, 25 per cent in the Mountain Pacific group and 33 1/3 per cent between divisions. The commission also ordered rates on coarse grains, including corn, oats and others, fixed at 10 per cent below the level on wheat in the new schedule, while rates on grain products are to be altered to fit the new basis. Railroads were ordered to have the new schedule ready by November 20 at the latest. (Press, Oct. 23.)

---

**Grain Rate Cut**                      The cut ordered by the Interstate Commerce Commission in western grain rates remained the only salient move of the Government in the railroad situation since the strike call. Calculations upon this, prepared for the Association of Railway Executives, indicated that the freight decrease given western shippers would make a difference of two cents a bushel on average shipment of wheat between producing districts and primary market centers. (Press, Oct. 24)

---

**Grain Rate**                      The Philadelphia Ledger says in an editorial to-day: "Last  
**Cut Effect**                      Saturday came a move that cuts ground from under the feet of the rail strikers and emphasizes the weakness of their position. In a sweeping decision the Interstate Commerce Commission slashed away half of that 33 per cent increase in grain rates granted the roads in 1920, revived the sound principle that rates and pay are linked, announced that rates must be reduced and suggested wage cuts as a means toward that reduction. ..."





## Texas Rail Strike

Associated Press to-day reports from San Antonio, Tex.:

"Labor leaders claim strike of 600 trainmen on International and Great Northern, which started Saturday, is '100 per cent effective,' but road says passenger service is unimpaired and that resumption of freight service, halted Saturday, has been started. Unions announce no attempt will be made to interfere with efforts to resume full service."

## Tax Legislation

The Senate October 22 adopted the compromise income surtax plan providing a maximum rate of 50 per cent, rejecting an amendment by Senator Hitchcock to continue after this year the present surtax rates on income in excess of \$100,000. A proposal by Senator Calder making 32 per cent the maximum rate on that portion of incomes in excess of \$63,000 was rejected. (Press, Oct. 23.)

## Section 2.

Agricultural  
Situation

Former Secretary Meredith is quoted in to-day's Washington Post as saying in a press interview October 23: "I believe that the bottom has been reached and that business is on an upward trend. ... The improvement in conditions, though I look for it to be steady, will not be so great as to remove the discontent among the working classes. It is the farmer who eventually is to set the nation back on its feet in a stable way. With a crop valued at from \$14,000,000,000 to \$15,000,000,000 this year, the farmer - and he represents a total of some 6,000,000 to 7,000,000 farms - has suffered with all other classes. But he has not been out of employment as have 4,000,000 or 5,000,000 people in the industries, and he will be the largest seller of any industry in the land for some time to come. His products are necessary, and though he has not been getting the prices for his produce that he has desired, he is rapidly getting on his feet, especially since he has had government help. ... The farmer not only will be the principal seller among all the industries, but likewise he will be the principal buyer. ... As a result, with the sale of his enormous crop of this year and his next year's crop, the farmer is the one who will be more responsible for the return of prosperity in the land than any other individual class."

Agriculture  
in Congress

1. In an editorial on "Blocs in Congress" The Washington Herald to-day says in part: "Nor is the agricultural now the only bloc. There is that of the manufacturers already in active operation and one forming to befriend labor as a specialty. It is not impossible that a condition in politics has again to be faced. It is political wisdom to learn by past experience. The granger, greenback, populist and progressive movements did not come without a cause and the way to meet them, and the later bloc, is at the crossroads. These blocs are still made up of Republicans and Democrats. But up in Canada a similar agrarian bloc bids fair to be the controlling majority. Agriculture on this side of the line as well as on that, has failed of adequate voluntary recognition. It now shows distinct symptoms of demanding it. Knit together, with a distinct legislative program, under able leadership, it may become a third party unless one or the other old party adopts it. The manufacturers' bloc would then also be another party or absorb the Republican organization. Maybe between these two, there





may be a third bloc of sufficient vision, or sufficient national grasp in statesmanship and of that grade in tact or forcefulness to bring them together on a program satisfactory to both."

Agriculture  
in Congress

2. In an editorial on "Farmers and Foreign Trade," The New York Times to-day says: "When the agricultural bloc seeks to better its position by laws discriminating in its favor it takes a position which is understandable, if mistaken. But when it seeks to injure others, as in the case of keeping unbearable burdens on capital in foreign trade, it takes a stand which it is difficult to understand on any theory of enlightened self-interest. How is it possible that the farmers do not see that exports of their products are the best support of their home price, and that the price is paid in imports of goods which manufacturers and politicians are seeking to exclude? Why should the agricultural bloc play into the hands of their economic enemies by seeking to keep American capital out of foreign trade? They seem to think that the capital used abroad lessens the capital available at home. ... The agricultural bloc fooled itself with a farmers' tariff, as the declining market price for farmers' goods attests. That was merely a selfish blunder, but the veto on general foreign trade is an assault on others. The whole world looks to foreign trade to make fresh blood."

Cooperative  
Dairying

Referring to the Dairy Marketing Committee of Eleven, appointed by President Howard of the American Farm Bureau Federation and approved by the National Milk Producers' Association, Hoard's Dairyman for October 21 says in an editorial: "This committee has a large job before it, as we have at the present time many forms of organization for marketing milk. It perhaps would be expecting too much for the committee to bring forth one plan which can be recommended for all communities; for, as we look upon it now, each community or section must adopt organizations suitable to its conditions. ... "We believe the greatest success in organizing the dairy industry will come to each community through local enterprises and directed by the men in that community. ... The federating of the small unit groups into larger units for the purpose of standardizing the several dairy products and to market them to better advantage is wise and sound."

Financing  
Agriculture

"In fixing the rates of interest to apply on loans to banks for agricultural purposes, the War Finance Corporation apparently overlooked the fact that interest rates are due for a fall. Bankers are charged 5 and one-half per cent and are allowed a commission of 2 per cent, making the cost to the farmer 7 1/2 per cent, which is a half a cent above the average rate charged by most banks in the lower half of Michigan, but less than the prevailing rate in more sparsely settled sections and in some of the western states. Why a government-subsidized loaning agency cannot loan money at as low an interest rate as banks is something we cannot understand." (Michigan Business Farmer, Oct. 22.)

Grain  
Shipping

Cash grain handlers on the Chicago Board of Trade, October 23 cautioned farmers against too free shipments of grain at this time because of the danger of a general railroad strike. Particular stress was laid on the danger of shipping new corn or other grain that might deteriorate if delayed in transit. Plans of the big five packers have





been completed and all warehouses and cold storage plants are being stocked to capacity with fresh meats, while a system of distribution by trucks is being worked out. (Press, Oct. 24.)

#### Research and Standardi- zation

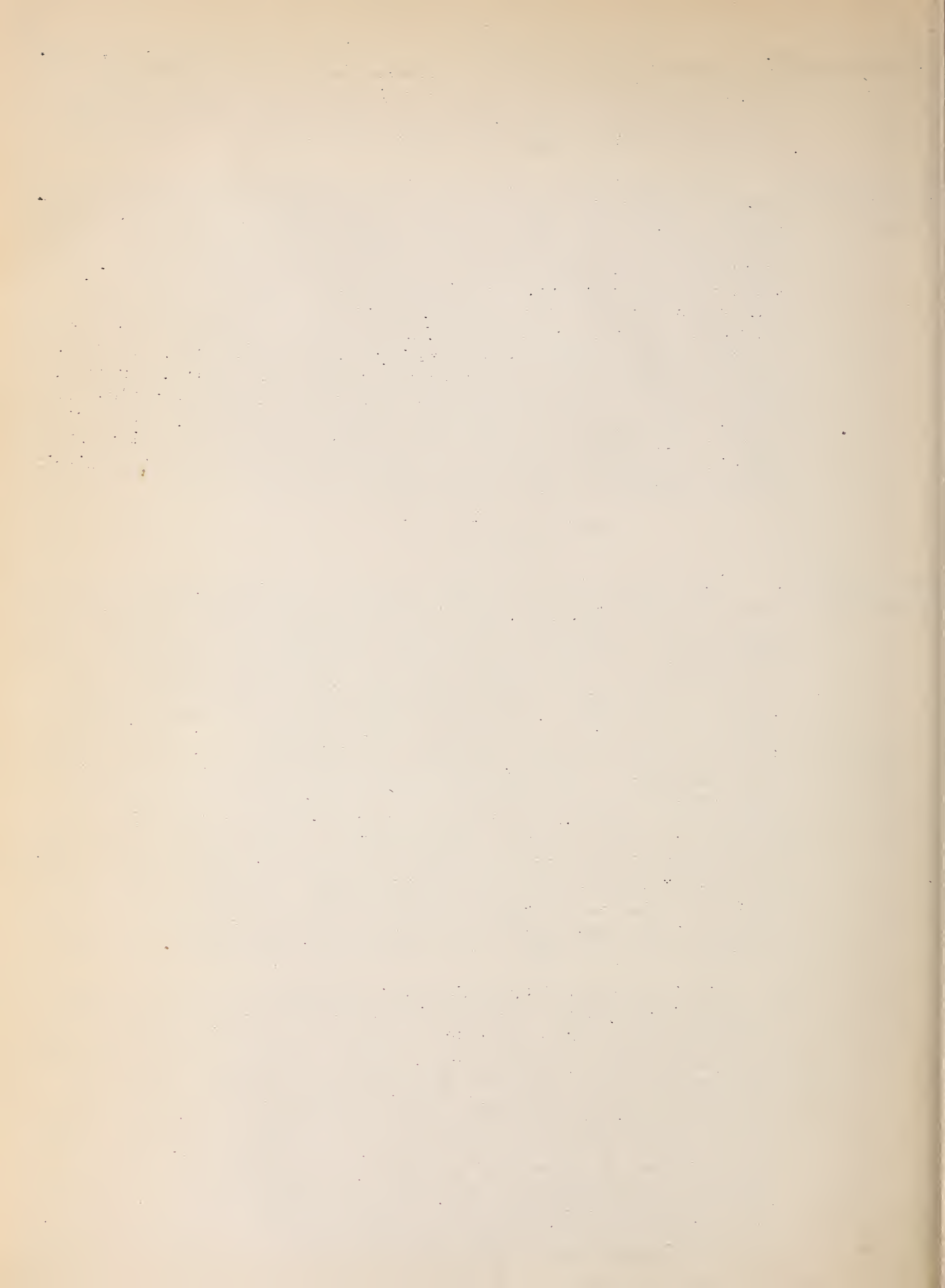
More publicity of research work was strongly advocated by C. R. Thomas, of Chicago, formerly of the United States Forest Products Laboratory, before the standardization conference of the American Mining Congress, at Chicago, October 20. "Research and standardization are apparently at opposite poles; the one seeks to discover the new, the other seeks to stay put," Mr. Thomas added. "And yet there must be some common ground. For standardization without research leads to stagnation and research alone would lead to greatly reduced production of many products which are universally needed at low cost. ... I believe that industries should organize bureaus for public information about research and standardization. Editors are only too anxious to receive information as to new developments in an industry and improvements on old methods which lead to standardization. ... Public support is a valuable asset and an economic force that cannot be neglected with impunity." (Jour. of Commerce, Oct. 21.)

#### Section 3.

#### Department of 1. Agriculture

"The biggest favor Congress can grant the South is to instruct one of the Government bureaus to answer the question: 'Will the present cotton crop be 6,537,000 bales or 1,000,000 more?' So declared President Butler, of the New Orleans Cotton Exchange, in a telegram to Senator Ransdell. ... The telegram follows: 'The National Ginners' Association is out with a statement forestalling the Government ginnings report, due October 25, saying the total ginnings to October 18 represent 74 per cent of the census of total ginnings. ... Unfortunately the next estimate by the Department of Agriculture will not be issued until December. Meanwhile the world will believe in a 7,700,000 crop instead of in a 6,537,000 crop, as estimated by the Department. Needless to say, values are likely to be affected accordingly. ... We urge Congress to request the Department of Agriculture to put forth an estimate of the crop to be made at the same time the ginning report of November 8 is issued by the Census Bureau. Congress cannot confer a greater favor on the South than by granting this request. If it is not granted we shall suffer the results of uncertainty until December. We desire only the truth. ... " (N. Y. Daily News Record, Oct. 22.)

2. The Price Current-Grain Reporter for October 19 says: "A reader in Ellis County, Tex., sends us the franked envelope of the Department of Agriculture, States Relations Service, mailed by 'Richard E. Callender, County Agent, Lockhart, Tex.," which enclosed a letter soliciting from the addressee buyers for commercial farm products. Under the Smith-Lever Act such procedure by Mr. Callender, if he receives as any part of his pay moneys from the U. S. Treasury through the Department of Agriculture and its almoner, the Director of the States Relations Service, as apparently he does, is clearly unlawful, although winked at and encouraged by both this Department and the Post Office which permits his franked letters to pass through the mails, though his business is not Government business. Both the direct work of Mr. Callender and his use of free postage privilege of a great Department





would seem to be a gross abuse of privilege. It would be of interest, and perhaps something else, to know just how many other county agents in the country are doing the same thing. ... Will such of our readers as have information on the subject or whose business has been attacked by county agents kindly send us the facts as they affect them?"

#### Section 4.

#### MARKET QUOTATIONS.

#### Farm Products

During the week ended October 22 wheat prices underwent drastic declines Chicago December wheat losing 10¢ net and closing at \$1.06; Chicago December corn off 1¢ closing at 46 5/8¢. The decline was influenced by Government report of wheat reserves, big stocks of grain with slow demand, weakness in continental exchange, threatened rail strike, and lack of support. Undertone was easy at the close. The corn market was featureless and influenced by wheat. Chicago hog prices dropped 10¢ to 15¢, bulk of sales closing at \$7.40 to \$8.35. Best corn fed steers and yearlings, and western grass steers and canner and cutter cows lost 15 to 25¢; other grades of beef steers and butcher cows and heifers down 50 to 75¢. Light and medium weight veal calves ranged from 25 to 50¢ higher. Butter markets were easy with an unsettled undertone. Several cars of Canadian butter and a moderate shipment of Danish arrived on Eastern markets during the week. Storage butter moving well for season. Cheese markets firm following unsettled undertone early in week account offerings of Canadian cheese at prices lower than domestic make. Potato markets generally steady to strong; Chicago lower. Cabbage demand moderate; markets slightly weaker. Onion prices continued to advance. Apple markets steady for barreled stock. Hay receipts generally light and well absorbed. Feed prices firmer but not quotably higher. Spot cotton declined about 80 points closing at 18.47¢ per lb. New York October future down 30 points at 18.15.

October 22: Wheat trade narrow; undertone easy. Reduction in freight rates on grain and flour ordered by Interstate Commerce Commission. Corn market featureless. About 25 cars new corn on market grading from 2 to 4 and selling at 40 1/2 to 44 1/2¢. Closing prices in Chicago cash market; No. 2 red winter wheat \$1.15; No. 2 hard winter wheat \$1.04; No. 2 mixed corn 46¢; No. 3 white oats 31¢. Average price to farmers in Central Kansas for No. 2 hard winter wheat 95¢; to farmers in Central Iowa for No. 2 mixed corn about 30 1/2¢. Chicago hog market 10 to 25¢ higher with packing and mixed hogs advancing most. Cattle, sheep and lamb prices generally steady. Medium and good beef steers \$5.85 to \$10.65. Fat lambs \$7.50 to \$8.75. Boston potato market strong; other cities about steady. Shipping points prices: Round Whites steady at \$1.65 to \$2 per 100 lbs. New York Baldwin apples A 2 1/2 steady at \$6.50 per bbl. Danish type cabbage \$30 per ton bulk. Shippers asking \$5 to \$5.50 per 100 lbs. sacked for Yellow Globe onions f.o.b. Massachusetts points. Spot cotton lower at 18.47¢ per lb. New York October future lower at 18.15¢. Condition markets for dairy products, and hay and feed given in weekly review above. (Prepared by Bur. of Mkts. & Crop Est.)

#### Industrials and Railroads

Oct. 22: Average closing price 20 industrials 71.11, as compared with 85.57 corresponding day 1920; average closing price 20 railroad stocks 71.63, as compared with 83.64. (Wall St. Jour., Oct. 24.)

